



Clare County Council
Comhairle Contae an Chláir



**Joint Housing Strategy
for the Administrative Areas of Limerick City and County
Councils and Clare Local Authorities**



Adopted by Limerick County Council on 20th December 2011

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The Draft Joint Housing Strategy was finalised in July 2010 but subsequent changes were made to the population figures to reflect the Mid-West Regional Planning Guidelines 2010-2022 which were finalised in September 2010.

Executive Summary

The Joint Housing Strategy has been prepared in accordance with Part V of the Planning and Development Act 2000 as amended and covers the functional area of Limerick's Local Authorities (Limerick County Council and Limerick City Council) and Clare's Housing Authorities (Clare County Council, Ennis Town Council and Kilrush Town Council) for the period 2010-2017. The preparation of a Housing Strategy is required to follow the 2000 guidelines for preparing a Housing Strategy issued by the Department of the Environment, Heritage and Local Government (DEHLG).

This Housing Strategy is an update of the current Limerick (City and County) and Clare (Clare County and Ennis) Housing Strategies, each of which is subsumed into their respective Development Plans, and combines all of these in a 'Joint Housing Strategy' covering the period 2010-2017. As per Section 94(1) of the Principal Act, this Strategy has been prepared, '*for the purpose of ensuring that the proper planning and sustainable development of the area of the development plans provides for the housing of the existing and future population of the area in the manner set out in the Strategy*'.

In regard to the above and by reference specifically to Section 94(3), the key areas which the Housing Strategy must address are the following:

- (1) To enable every household in Limerick and Clare to have available an affordable dwelling of good quality, suited to its needs in a good environment and as far as possible at the tenure of its choice.*
- (2) To promote balanced and sustainable communities by transformation of the income and tenure mix in the urban area and specifically to begin the full implementation of the Regeneration Programme.*
- (3) To work to deliver the population targets and population distributions set out in the MWRA Regional Planning Guidelines, which support the settlement hierarchy of the Limerick/Shannon Gateway, followed by the key towns as the primary locations for development, including economic development.*

Changed economic context

At the outset, it is important to acknowledge the changed economic realities, which have transpired over the past three years, which have significantly changed the context for the preparation of housing strategies in 2010:

- The deterioration in the public finances and the onset of economic recession, have changed the position with respect to public capital budgets over the medium term. Both will have serious implications for the level of new public housebuilding post 2009 and thus for the recommendations of the Housing Strategy.
- Conditions in the housing market have been exacerbated by the increasing numbers of home owners facing payment challenges due to pay reductions and job losses. An associated problem for new potential house purchasers is the difficulty securing mortgage funding.

- The one positive factor which has emerged has been the significant improvement in housing affordability since early 2007 for those persons in employment. With house prices currently falling, the requirement for affordable housing is likely to be less of an issue for the Strategy over the medium-term.
- While the National Accounts data suggests that the rate of negative economic growth moderated in Q1, 2010, the economic recession has led to an increase in unemployment and increasing numbers on social housing lists. When combined with declining capital budgets, this creates a new set of problems for local authorities.
- As a result the likelihood is that the conventional means of increasing provision for social and affordable housing (i.e. new build) will be less achievable, due to funding constraints. Thus the focus of attention is increasingly likely to be more on the flexible housing supply alternatives/interventions, as set out in the 2007 housing policy document, *Delivering Homes, Sustaining Communities*.

One significant conclusion to emerge from the Housing Strategy is the substantial backlog of households on the social housing waiting lists at the end of 2009, according to the individual Assessments of Housing Needs. These lists are partly a reflection of the economic recession but also the historical non-provision of social and affordable housing by the local authorities over previous years. Over 7,000 households were on local authorities' lists seeking social (3,824 households between Limerick City and County and 2,148 in Clare) and affordable (516 households between Limerick City and County and 579 in Clare) housing at the end of 2009. This is a substantial demand which has to be accommodated in conjunction with needs arising from the growth in new households over the period of the Housing Strategy.

Policy Background

The Joint Housing Strategy is consistent with the National Spatial Strategy and Regional Planning guidelines. It takes into account the regional and city/county level population targets contained in the Mid-West Regional Planning Guidelines. The Guidelines emphasise the role of the National Spatial Strategy (NSS) and recognise that the Limerick/Ennis/Shannon area, as a Gateway/Hub zone, can make an important contribution to the balanced regional development of the Mid-West.

Population Targets

In October 2009, the Department of the Environment, Heritage and Local Government set out population targets for Gateways and Hubs for the years 2016 and 2022. The targets represent the minimum population numbers for these locations to be factored into estimates of future development land requirements for these years, setting the context for city/county development plans and local area plans.

The Mid-West Regional Authority (MWRA) has produced population targets for the functional areas of the region which take into account a number of factors, most notably, the population targets for the region, the Limerick/Shannon Gateway and the Ennis Hub, as finalised by the DEHLG in October 2009. **In this regard the future location of housing across the region is almost predetermined by the population targets which have been set independently for its constituent parts.**

DKM derived population targets for 2017, the final year of the Strategy, by interpolating the annual average expected growth between 2006 and 2016 and applying it to the 2016 figure to ascertain the 2017 population. The projections are as follows and are set out in the Table below:

- The strongest annual average population growth rates over the period 2006-2017 are projected for Limerick City Environs (+2.0%) and Ennis and its suburbs (+2.1%), with the overall population in the Limerick/Shannon Gateway projected to increase by an annual average of 2.2%.
- Limerick as a whole is projected to increase at an annual average growth rate of 1.7% compared to 1.6% for Clare as a whole and 1.7% for the Mid West Region over the period 2006-2017.

Table A: Increase in Population and Household Targets for period 2006-2017

	Target for Population increase 2006-2017		Target for Household increase 2006-2017		Target for Household increase 2010-2017*	
Limerick/Shannon Gateway	27,233	100%	17,104	100%	9,348	100%
<i>of which in</i>						
Limerick City	12,181	45%	9,149	45%	4,203	45%
Limerick City Environs	6,546	24%	2,653	24%	2,258	24%
Clare	8,506	31%	5,302	31%	2,887	31%
Limerick						
<i>of which in</i>						
Limerick City	<u>12,181</u>	<u>32%</u>	<u>9,149</u>	<u>47%</u>	<u>4,203</u>	<u>32%</u>
Limerick City Environs	6,546	17%	2,653	14%	2,258	17%
Limerick County minus Environs	<u>18,772</u>	<u>50%</u>	<u>7,609</u>	<u>39%</u>	<u>6,477</u>	<u>50%</u>
Total Limerick County	25,316	68%	10,261	53%	8,734	68%
Total Limerick	37,497	100%	19,410	100%	12,937	100%
Clare						
<i>of which in</i>						
Clare County Council	14,904	71%	8,026	75%	5,058	71%
Ennis Town	5,274	25%	2,384	22%	1,790	25%
Kilrush Town	894	4%	344	3%	303	4%
Total Clare	21,072	100%	10,754	100%	7,152	100%
Total Limerick and Clare	58,569		30,164		20,089	

Source MWRA and DKM. * The increases projected for the Housing Strategy period.

Note: Due to rounding, percentages may not sum to 100.

These figures imply that **45% of the household growth in the Limerick/Shannon Gateway is expected to take place in Limerick City with 24% taking place in the City Environs and 31% in Shannon and the Limerick City Environs part that is in Clare.** This is a major challenge for Limerick City and the City Environs and will require the further development of the city centre as a primary employment location, progress on the Regeneration Programme (see below) and a contribution from the Docklands and suburban locations.

Thus policy would appear to be focused on reversing the urban sprawl development of the period 1996-2006 in an attempt to rebalance the growth in population towards the City and the Limerick/Shannon Gateway.

Figure 1: Target Population and household increase in Limerick/Shannon Gateway, 2006-2017 and 2010-2017

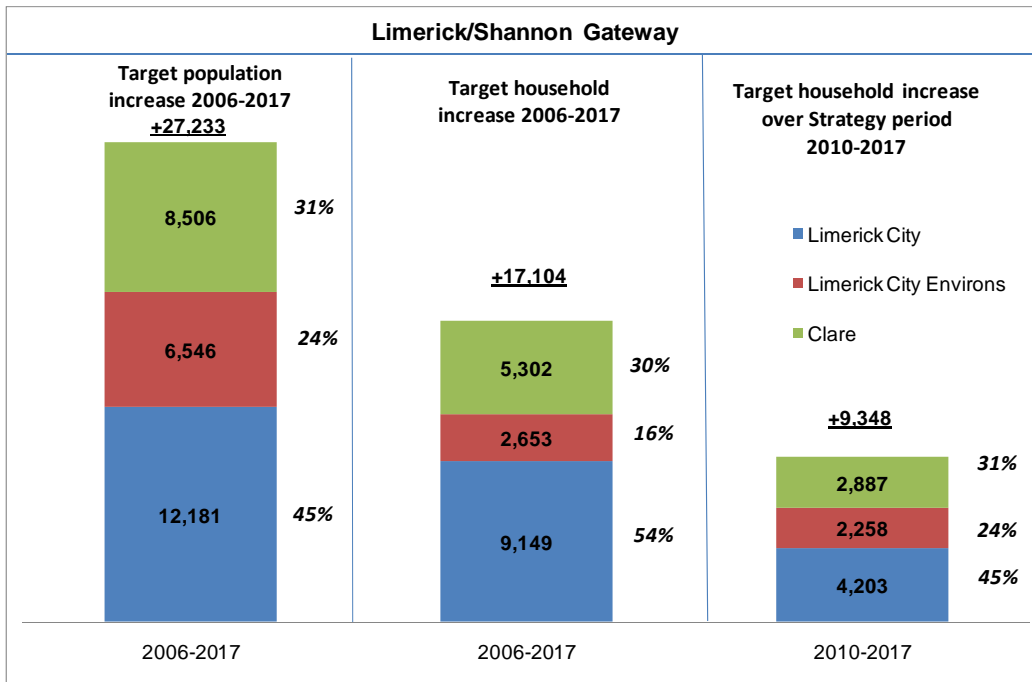
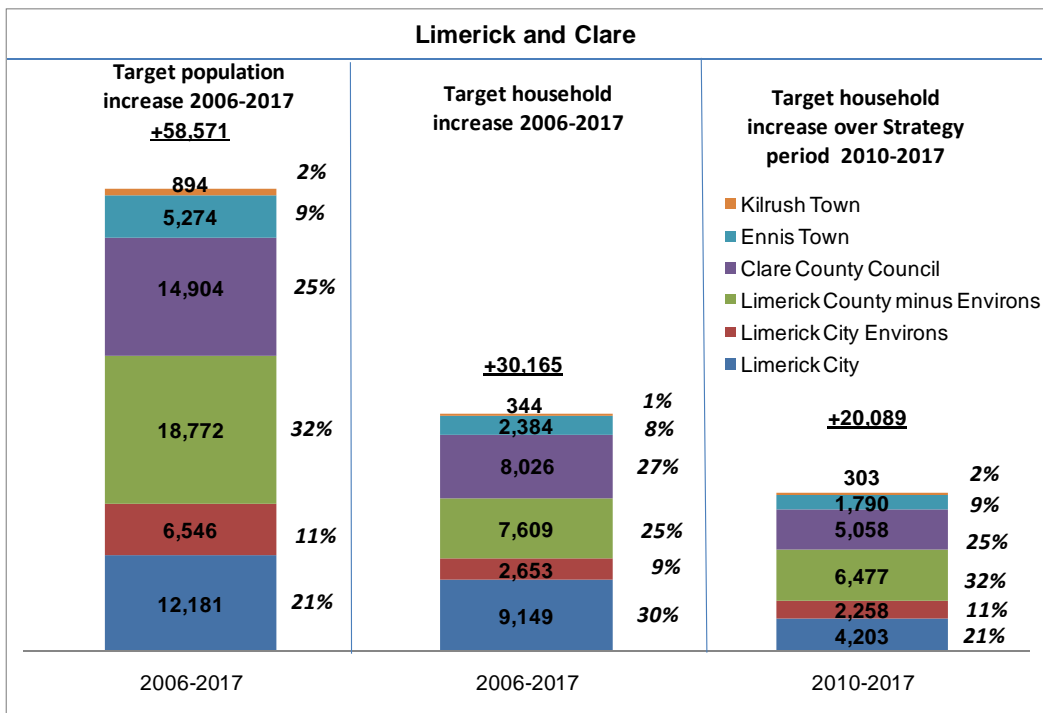


Figure 2: Target Population and household increase in Limerick and Clare 2006-2017 and 2010-2017



Addressing housing need in the short term is in some sense predetermined

With both Limerick and Clare's overall population expected to increase over the course of the Strategy, this will inevitably place an increased demand on the housing services of the respective local authorities. Housing demand is now less likely to be met from the conventional means of increasing provision for social and affordable housing (i.e. new build), due to funding constraints, implying that Part V will play a lesser role compared with previous housing strategies. Other supply alternatives are increasingly likely to form the solution and will comprise a mix of properties from the following, the location of which is already determined:

- ✓ The Rent Supplement Scheme (RSS)
The numbers in receipt of RS are reported to be rising substantially across Limerick and Clare with an estimated 2,171 people in receipt of Rent Supplement in Limerick City and approximately 1,500 in Limerick County. There are 1,986 persons availing of Rent Supplement in Clare implying that in total, approximately 5,657 persons are already availing of Rent Supplement across both counties. These numbers have a major knock on effect on the requirement for the Rental Accommodation Scheme from eligible households.
- ✓ The Rental Accommodation Scheme (RAS)
The number awaiting transfer to the Rental Accommodation Scheme is estimated at almost 1,800 (800 in Limerick City, 450 in Limerick County and 547 in Clare).
- ✓ Properties which come forward under the new Leasing Initiative
The Leasing Initiative is now Government policy and is intended to become an integral part of the social housing programme by leasing some of the vacant stock of new and second-hand properties from the private sector. The respective local authorities expect 671 properties to be put forward for leasing over the Strategy period (416 in Limerick and 255 in Clare).
- ✓ Properties brought forward due to casual vacancies are expected to accommodate some 1,534 households (880 in Limerick and 654 in Clare) over the Strategy period.

The manner in which housing need is addressed in the short term across Limerick and Clare will depend on the location of properties which come forward from the above sources. To the extent that there will be some new build, the Housing Strategy confirms that there is sufficient zoned land available in appropriate locations to meet the housing need over the lifetime of the Strategy.

The Regeneration Programme is fundamental to delivery of the Strategy

The Regeneration Programme is of central importance to the delivery of a better managed and distributed housing sector throughout the area of the Housing Strategy. It is also critical to the success of the Gateway, particularly in terms of redirecting population growth into the Limerick City area. In recent months, the Regeneration Agencies have prepared detailed plans for the first phase of the implementation of the regeneration programme. These have been presented to the Department of the Environment, Heritage and Local Government and are due to be sent for Government consideration by the end of May 2010. Overall they set

out a programme of some 25 capital projects with an estimated cost of €337 million to be delivered over the period June 2010 to December 2014.

In terms of the overall programme, the estimate for the total public sector investment has been revised downwards from €1.67 billion to €924 million, having regard to the current value in the construction market and the bedding down of the projects to be included in the actual plan's delivery. In the context of the current housing market, this Housing Strategy assumes that less private investment will come forward over the period of the implementation of the regeneration programme. In this regard the Strategy assumes that just 2,000 new private dwellings (approximately 5,000 persons) will be provided in the Regeneration areas by 2017, with the balance of 2,200 to be provided post 2017¹. This will help drive the population targets for Limerick City which, as projected, is expected to account for 45% of the household growth in the Limerick/Shannon Gateway. A key condition for the successful promotion of private investment will be the development of the necessary policies to support social and economic developments in the areas.

Counteract undue segregation in housing between persons of different social backgrounds

A core objective of the Housing Strategy is to promote balanced and sustainable communities which include beginning the process of the transformation of the tenure mix within the Regeneration Areas of Limerick City by working with other stakeholders to address the challenges set out in the Regeneration Programme.

In this regard the Housing Strategy needs to counteract undue segregation by the following means:

- a) In line with the Regeneration Plan, the Regeneration Areas will generally not deliver any new social housing stock for the City's or Region's needs.

This needs to be managed carefully as demand for housing may also come from family members (children, grandchildren) of existing households in the future, who wish to remain in the area. This is why it is essential over the period of the Plan that these areas achieve a population that has a greater level of income than at present.

- b) Targeted policies need to be put in place to ensure that new private investment in the Regeneration Areas commences during the period of the Strategy.
- c) The properties which come forward under the leasing initiative and RAS must be evaluated to ensure that the overall social mix of a development/area is not adversely impacted.
- d) With specific reference to Part V, social housing delivery on foot of planning permissions may provide for off-site provision of housing or for payment of monies in lieu, where a Local Authority confirms an inappropriate balance of housing tenure already exists within a community.

¹ The Masterplans for the Regeneration areas provide for some 4,000 new private homes within these locations by 2018.

These measures will provide an opportunity to realign the tenure mix for the regeneration estates directly. They will also constitute a material benefit to the Gateway and the Region, by means of counteracting current social segregation within Limerick City's jurisdictional area.

Location of future housing demand²

As per Section 94(1) of the Principal Act, this Strategy has been prepared, 'for the purpose of ensuring that the proper planning and sustainable development of the area of the development plans provides for the housing of the existing and future population of the area in the manner set out in the Strategy'. On foot of this the Housing Strategy is required to identify the existing and likely future need for social and affordable housing within the constituent local authorities and ensure that local authorities have adequate land zoned to facilitate that provision.

Firstly, the existing need has been identified based on the social and affordable housing backlog at the end of December 2009 at just over 7,000 households across Limerick and Clare. Based on the assessment of social and affordable households expected to be accommodated over the period of the Strategy (supply of 3,481 projected by local authorities and DKM), the total number of public sector households which remain to be accommodated is 3,586 in 2017.

The Housing Strategy also assumes that there will be an increase in the social housing lists from the existing population due to the economic environment. This figure is estimated at 429 households, thus generating a deficit of 4,015 public sector households when set against the projected social housing supply.

Secondly, the total number of new households expected to be formed over the period of the Strategy is 20,089 (Table A) of which 9,348 (47%) are expected to reside in the Gateway, with 12,937 in Limerick and 7,152 in Clare. Based on the 35% of net income rule, the Housing Strategy estimates the number of new households expected to need assistance with their housing needs over the Strategy period at 1,624 households.

Thus the total public sector gap increases to 5,639 households (4,015 plus 1,624 - see Table 7.2), which will need to be accommodated by means other than the supply projected by the local authorities (3,481) or will remain to be accommodated at the end of the Strategy period.

Based on the overall targeted increase for new households (+20,089) and excluding those new households expected to need assistance (1,624) leaves a balance of 18,465 for households which have to be accommodated outside of the public sector. These households can meet their accommodation needs without assistance from the State either in the private rented sector, from the stock of vacant units or from the new build sector.

² This Section summarises the analysis presented in Section 7 which contains the source of the figures presented here. Section 7 presents a scenario which sets out a projection for the housing supply/demand balance in the constituent local authorities over the Strategy period.

The Strategy provides an indicative demand/supply scenario (Table B) whereby these remaining 18,465 new households are accommodated via the above means across Limerick and Clare. Based on Table B and the level of new build projected which is subject to Part V, the total number of social and affordable units expected to be provided is 1,310 units distributed as set out in Table B: 20% of new build in all locations except in the City where the balance of projected new building (510), after deducting the 2,000 units in the Regeneration Areas, is subject to 15%.

Table B: The distribution of total housing demand and supply in Limerick and Clare including the estimate required under Part V (number of households/housing units)

1	2	3	4	5	6	7	8
How the supply is met:	Total Demand/ Supply	Vacant Units which meet supply	Demand less vacant units	Exclude one-offs (plus 150 in City)	Part V % assumed	Part V supply est	Part V Distributed as follows
Limerick City	3,887	1,227	2,660	2,510	15% of 510	77	77
Limerick City Environs	2,089						188
Limerick Co. minus Environs	5,991						534
Limerick County	8,079	2,923	5,156	3,609	20%	722	722
Total Limerick	11,966	4,150	7,816	6,119		799	799
Clare County Council	4,597						363
Kilrush Town	276						20
Ennis Town	1,626						128
Total Clare	6,499	2,850	3,649	2,554	20%	511	511
Total Clare and Limerick	18,465	7,000	11,465	8,673		1,310	1,310

Source: DKM and RPS

Notes to Table:

Column 2 sets out the projected number of new households formed in Limerick and Clare over the Strategy period who will be seeking accommodation without State assistance. Those requiring assistance with their housing needs from the State have already been considered (Table 7.2).

Column 3 is the estimated number of vacant units which will be capable of accommodating some of the projected demand over the Strategy period either in the owner occupied or private rented sectors.

Column 4 represents the remaining demand which will need to be accommodated from other sources.

Column 5 excludes one-offs and other units not subject to Part V in order to ascertain the Part V requirement. For the purposes of this exercise, this proportion is assumed to be 30% in Limerick County and Clare, based on historical experience and consultations with the respective local authorities. An estimated 150 units are assumed to represent the number of units not subject to Part V in Limerick City. Thus the total of 8,673 represents an estimate of the remaining housing demand to be accommodated, which if provided as new housebuilding, will be subject to Part V. Of course this demand may be accommodated by other supply interventions, e.g. Rent Supplement, RAS and Leasing, in which case the Part V requirement will not arise.

Column 6 assumes that the percentage of lands to be reserved for Part V will be 20% in Limerick County and Clare. In Limerick City, based on assuming that 2,000 new units will be provided in the Regeneration areas, the balance of 510 is subject to 15%.

Thus **Column 7** provides an indicative estimate of the Part V supply, estimated at 1,310 (799 units in Limerick and 511 units in Clare), which are distributed as per **Column 8**.

Of the 1,310 units projected under Part V, approximately 471 units are projected for the Limerick/Shannon Gateway. The remainder are expected to be provided in the rest of Limerick County (534) and in Clare (305).

These 1,310 units will help address the outstanding public sector deficit of 5,639 households above. However, if the local authorities are to accommodate the residual need of 4,329 households (5,639-1,310), this need will have to be addressed via the range of supply options such as RAS, the leasing initiative and RS. It is likely that a substantial proportion of this additional need will be allocated to areas within the City Environs and to Shannon, to support the Gateway population targets, where the type and quantum of family type rental accommodation appears to be more appropriate than in the City area.

However as the location of units likely to come forward over the period of the Strategy under RAS, RS and leasing needs is not yet known although is already predetermined, there needs to be a willingness on behalf of Limerick County and the remainder of Clare (excluding the part in the Gateway) to help address the tenure rebalance by collaborative means.

Part V requirement

The Housing Strategy must determine the specified percentage, not being more than 20%, of the land zoned for residential use, which is to be reserved for the provision of social and affordable housing.

The analysis conducted for the Housing Strategy has concluded that the main issue concerns the social housing backlog from the assessment of needs, while the proportion expected to experience affordability problems over the period of the Strategy is modest: 8.0% in the Gateway, 7.5% in Limerick and 9.1% in Clare. Accordingly, it is recommended that the maximum of 20% of the land zoned for residential use be reserved for the provision of social housing in Limerick County and Clare.

Given the overriding aim of the Strategy to address the overall social mix balance, it is recommended that the maximum percentage of land zoned for residential use be set at 15% in Limerick City, excluding the Regeneration Areas.

There will be flexibility to alter these percentages in the case of planning permissions where a Local Authority confirms an inappropriate balance of housing tenure already exists within a community, in which case an off-site provision of housing or for payment of monies in lieu can be provided instead.

Key risks /barriers to implementation of the Strategy

A significant potential barrier to the implementation of the Strategy is the continued uncertainty over the general economic environment, and the direct consequence for housing funding, both in terms of direct provision by the State or related bodies and the availability of mortgage credit to the private market.

Compared with previous housing strategies, this Joint Housing Strategy relies more on other supply mechanisms rather than on new build to address housing demand. There is a risk that sufficient forms of new supply do not come forward in the appropriate locations, with the result that a significant backlog remains at the end of the Strategy period. To ensure that

this risk is minimised, the importance of the joint management approach (below) cannot be overstated.

The key downside risk for the Regeneration Programme is that due to a prolonged weak housing market, no new private investment in housing is delivered and thus new residents are not attracted to the areas, resulting in little or no change in the social/income mix or in the image of the area. Thus the population growth would not materialise and the MWRA population targets for Limerick City and the Gateway would not be achieved. This would represent a missed opportunity to achieve a rebalancing of Limerick City. The Regeneration Programme, even allowing for delays in the timeframe, must achieve a fundamental rebalancing of the social deprivation status of the Regeneration areas, in a sustainable manner. This is, in essence, the core objective of the Regeneration Programme.

Given the greater focus on supply mechanisms other than new build, this emphasises the need for a joint approach by the local authorities, including the regeneration agencies, which can ensure that demand is efficiently accommodated and that the objectives of the Strategy are met.

Joint Management and Implementation Issues

This Joint Housing Strategy for the administrative areas of Limerick and Clare replaces the previous individual strategies for each local authority area. To give effect to the Strategy, the respective development plans will have to be amended to include this Strategy.

The targets set in the Housing Strategy are ambitious targets and there is no guarantee that the entire demand will be accommodated by 2017, especially given the current challenging economic circumstances. Thus it will be essential that these supply and demand targets are monitored by means of Management and Implementation procedures. Any recommendations of the Limerick Local Government Committee in regard to more effective local government arrangements for the Limerick area will also have to be taken into account.

In this regard, the respective Local Authorities in Limerick and Clare have agreed that a Joint Housing Strategy Management Group should be established within one month of the adoption of this Strategy. This Management Group should be comprised of the Directors of Services for Housing and Planning for the three authorities, a representative of the DEHLG, a Director / CEO from the Regeneration Agencies and the Director of the MWRA.

The key proposals for the Joint Housing Strategy Management Group are that its members will work together to deliver on the following:

- Cross check and assimilate all basic housing statistics in relation to the defined area of Limerick City (including the Regeneration areas), County Limerick and County Clare.
- Agree shared research to establish the baseline tenure and income mix within established locations and monitor the rate of change over the course of the Housing Strategy.
- Support the ongoing measures and objectives for delivery of the Limerick Regeneration programme.

- Agree actions towards achieving the specified population targets.
- Agree a shared approach to the provision of housing management services.
- Agree an implementation/phasing plan for future development in the area and monitor the level of development going forward.

Key principles

Working within the relevant provisions of Part V of the Planning & Development Act 2000 (as amended), the following key principles inform the Joint Housing Strategy:

- 1) *To enable every household in Limerick and Clare to have available an affordable dwelling of good quality, suited to its needs in a good environment and as far as possible at the tenure of its choice.*
- 2) *To promote balanced and sustainable communities by transformation of the income and tenure mix in the urban area and specifically to begin the full implementation of the Regeneration Programme.*
- 3) *To work to deliver the population targets and population distributions set out in the MWRA Regional Planning Guidelines, which support the settlement hierarchy of the Limerick/Shannon Gateway, followed by the key towns as the primary locations for development, including economic development.*

Key Policies

Following from the analysis conducted and issues reviewed for the Housing Strategy, the following policies are included in the Strategy.

Policy 1

The respective Local Authorities will pursue pro-actively the range of options for housing provision, including direct new stock acquisition/build; promotion of the leasing initiative; expansion of the Rental Accommodation Scheme; and utilisation of Part V commitments for social housing.

Policy 2

The respective Local Authorities will support in full the ongoing measures and objectives for delivery of the Limerick Regeneration Programme.

Policy 3

The respective local authorities will take proactive actions to secure the population targets and distributions as set out in the Regional Planning Guidelines (MWRA).

In this regard each local authority is to evaluate all settlement lands in their functional area and propose a policy framework for the development of these lands that supports the population targets.

Policy 4

In the interest of counteracting undue social segregation, the respective Local Authorities will ensure that an appropriate balance between incomes, social, affordable and private (including private rented) housing is provided within communities.

The assessment of appropriate balance will require survey and monitoring of definable districts / communities within each of the respective Authority areas.

Decisions on leasing take up, RAS and on Part V percentage ratios on specific sites will be based on the existing housing profile and needs of the area.

With specific reference to Part V, social housing delivery on foot of a planning permission may provide for off-site provision of housing or for payment of monies in lieu, where the survey findings of the Local Authority confirm that an inappropriate balance of housing and /or income tenure already exists within a community.

Policy 5

In accordance with Part V of the Planning and Development Act 2000 as amended, Limerick County Council and Clare County Council will require 20% of all land zoned for residential uses (or for a mixture of residential and other uses) including designated settlement lands to be reserved for the purpose of social housing. The preferred form for meeting the requirement shall be by way of direct on site provision unless otherwise agreed by the Joint Housing Strategy Management Group.

Limerick City Council will generally require a maximum of 15% of all land zoned for residential uses (or for a mixture of residential and other uses) to be reserved for the purpose of social housing. This requirement will not apply to development within the Regeneration Areas or where it is considered, in the interest of achieving the population targets as set out by the MWRA, not to be appropriate.

Policy 6

The respective Local Authorities will support the development of housing for people with special housing needs and for members of the travelling community and will continue to support the input and contribution to housing provision from the voluntary housing sector.

Policy 7

The respective Local Authorities will promote best practice and innovation with regard to ongoing management and maintenance of all social housing stock and associated public realm.

Policy 8

The respective Local Authorities consider that successful delivery of the Joint Housing Strategy will require ongoing co-operation between the various local authorities, the Regeneration agencies and other key stakeholders and will work together to ensure the successful delivery of the Strategy.

In this regard a Joint Housing Strategy Management Group will be established to oversee the implementation of the Strategy. This Group shall be established within 1 month of the adoption of this Strategy by the respective local authorities.

Policy 9

The Joint Housing Strategy should be updated within two years having regard to progress made in achieving the objectives set out in the Strategy and changes in the key factors underpinning the Strategy, namely population and income.

Policy 10

All planning applications for 10 dwellings or more shall be subject to a justification test. The purpose of the justification test is to establish the possible impact of the proposal on the achievement of the population targets, in particular the concentration of population growth in the Gateway and the implementation of the Regeneration Programme.

1. Introduction

1.1 Background

This Housing Strategy has been prepared in accordance with Part V of the Planning and Development Act 2000 as amended and covers the functional areas of Limerick's Housing Authorities (Limerick County Council and Limerick City Council) and Clare's Housing Authorities (Clare County Council, Ennis Town Council and Kilrush Town Council) for the period 2010-2017. In accordance with the requirements of this legislation, this Housing Strategy will form part of the Limerick County Development Plan 2010-2016, the Limerick City Development Plan 2010-2016 and Clare County Council Development Plan 2011-2017.

This Housing Strategy is an update of the current Limerick (City and County) and Clare (Clare County and Ennis) Housing Strategies, each of which is subsumed into their respective Development Plans, and combines all of these in a 'Joint Housing Strategy' covering the period 2010-2017. This period is selected as it generally aligns with the timeframes of the current and next series of Development Plans for the participating local authorities.

1.2 Legislative context - Planning and Development Act 2000 (as amended)

Part V of the Planning and Development Act, 2000 (as amended) requires that Planning Authorities must prepare Housing Strategies and integrate them into their Development Plans. In addition, the Act makes communities' needs for social and affordable housing a material planning consideration which must be taken into account when formulating development plan policies, preparing a Housing Strategy and deciding on planning applications or appeals.

Each Planning Authority is required to include in its Development Plan "a Strategy for the purpose of ensuring that the proper planning and sustainable development of the area of the Development Plan provides for the housing of the existing and future population of the area, in the manner set out in the Strategy". The Act specifies that this Joint Housing Strategy shall:

- Include an estimate of, and provision for, the existing and likely future need for housing of the existing and future population in the areas covered by each Development Plan.
- The respective Planning Authorities shall ensure that sufficient and suitable land is zoned in their Development Plans for residential use (or for a mixture of residential and other uses), to meet the requirements of the Joint Housing Strategy and to ensure that a scarcity of such land does not occur at any time during the period of the Development Plans.
- Take into account the need to ensure that housing is available for persons who have different levels of income and in particular for those in need of social or affordable housing in the areas covered by the Strategy. The Housing Strategy shall therefore provide that as a general policy a specified percentage, not being more than 20% of the land zoned in the respective Development Plans for residential use, or for a mixture of residential and other uses, shall be reserved for social and/or affordable housing.
- Ensure that a mixture of house types and sizes is developed to reasonably match the requirements of the different categories of households, as may be determined by the Planning and Housing Authorities covered by the Strategy.

- Counteract undue segregation in housing between persons of different social backgrounds across Limerick and Clare. Planning Authorities may indicate in respect of any residential area that there is no requirement for social/affordable housing in respect of that area, or that a lower percentage than that specified in the Housing Strategy may instead be required.

Planning Authorities will include conditions with the grant of planning permissions requiring that the applicant/developer enters into an agreement with the relevant Planning Authority regarding their obligations under Part V of the Planning and Development Act (as amended). The method of compliance that is agreed under Part V must then be delivered in tandem with the overall development.

Strategy encompasses all Tenures

All tenures are taken into account when assessing 'housing need' i.e. owner-occupier, social housing and private rented accommodation. The Strategy is focused on building sustainable communities and meeting the accommodation needs of individuals in a manner that facilitates and empowers personal choice and autonomy (Building Sustainable Communities 2005). A strong commitment to housing is also important for social inclusion as the quality of housing provided and the range of housing services are important factors in underpinning social stability and promoting good civic values. In line with this, the local authorities in Clare and Limerick will continue to actively support the range of public housing interventions and accommodation options based on the identified need.

1.3 Consistent with Mid-West Regional Planning Guidelines 2010-2022

The Joint Housing Strategy is consistent with Regional Planning guidelines. In this regard it takes into account the Mid-West Regional Authority Guidelines which provide relevant information in regard to regional and city/county level population targets. The Guidelines emphasise the role of the National Spatial Strategy (NSS) and recognise that the Limerick/Shannon area, as a Gateway, and Ennis, as a Hub, can make an important contribution to the balanced regional development of the Mid-West. The Joint Housing Strategy is aligned with the Guidelines in this regard.

1.4 Context – changed economic realities

The preparation of a Housing Strategy is required to follow the guidelines for preparing a Housing Strategy issued by the Department of the Environment, Heritage and Local Government³ (DEHLG). Since these guidelines were prepared a decade ago, the conditions in the housing market have changed significantly. The year 2000 followed a period of rapid house price inflation in the late 1990s, high housing demand, rising supply levels, albeit supply failed to keep up with demand, and increased affordability problems for first-time buyers.

The housing market over the past three years has been characterised by falling house prices across the State, a significant contraction in house building, a sharp slowdown in housing demand and mortgage lending and weak consumer confidence levels. Average house prices across the country were down by 31% in December 2009 from the peak (January 2007), with further reductions expected during 2010. The projected housing supply nationally in 2010 is

³ Part V of the Planning and Development Act, 2000 Housing Supply - A Model Housing Strategy and Step-by-Step Guide, prepared by PA Consulting Group, Brady Shipman Martin and Fitzpatrick Associates for the Department of the Environment, Heritage and Local Government, 2000.

forecast to fall to around 7,000/8,000 from the peak of 88,000 in 2006, which would be the lowest level since records began in 1970.

More generally, the changed economic realities, which have transpired over the past three years, have significantly changed the context for the preparation of housing strategies:

- The deterioration in the public finances is having adverse repercussions for public capital budgets over the medium term and thus for the level of new public housebuilding post 2009.
- While signs are emerging that the period of negative economic growth may have ended in Q1, 2010, the economic recession has led to an increase in unemployment and increasing numbers on social housing lists. When combined with declining capital budgets, this creates a new set of problems for local authorities.
- Conditions in the housing market have been exacerbated by the increasing numbers of home owners facing mortgage repayment difficulties, as a consequence of matters such as job losses. An associated problem for new potential house purchasers is the difficulty securing access to mortgage funding.
- The one positive development over the past three years has been and continues to be the significant improvement in housing affordability for those persons in employment.

As a result the relevance of a Housing Strategy (and Part V), introduced in 2000, to assist first-time buyers with affordability problems and to provide for the amount of land to be reserved to meet social and affordable housing need may now be questionable. During the period of this Housing Strategy, the likelihood is that the conventional means of increasing provision for social and affordable housing (i.e. new build) will be less achievable due to funding constraints. Since 2007, Government housing policy, as set out in 'Delivering Homes and Sustaining Communities' has been focussed on a more flexible response to the delivery of housing need.

The Strategy takes into account a number of specific issues of relevance to Limerick and Clare, including the issue of management, given this new joint approach to the preparation of a housing strategy for both counties, and the current regeneration plans underway by Limerick's local authorities and the Regeneration Agencies.

1.5 Structure of Report

The report is set out as follows:

Section 2 provides a brief outline of relevant policy statements which are relevant to the preparation of a Housing Strategy and provides details on specific policy statement such as the National Spatial Strategy and the Mid-West Regional Planning Guidelines.

Section 3 presents the population and household targets for the areas covered by the Joint Housing Strategy, which will determine the level of housing demand over the Strategy period.

Section 4 considers a number of issues to do with housing supply across Limerick and Clare, including housing tenure, housing stock, housebuilding by type, vacant stock and the zoned land supply.

Section 5 examines the Regeneration Challenge for Limerick and its role in counteracting undue social segregation.

Section 6 examines the requirements for social and affordable housing across Limerick and Clare, taking account of the changed economic realities on the demand for social and affordable housing.

Based on the analysis presented in the previous sections, *Section 7* provides a projection for total housing demand and supply in the constituent local authorities. The section concludes with recommendations as to how the need identified should be allocated spatially across the participating local authorities.

Finally, *Section 8* set out the key principles and policies that underpin the Housing Strategy. It also includes proposals for joint management and implementation of the Housing Strategy to ensure the successful delivery of the policies recommended over the Strategy period.

The Executive Summary contains the key conclusions and policy recommendations.

A considerable amount of background information was collected from the constituent local authorities and is contained in the Appendices. Appendix 6 contains the key assumptions used in compiling the Strategy.

Acknowledgments

In the course of preparing the Joint Housing Strategy a substantial amount of data has been compiled from published sources and there has been extensive consultation with the constituent housing authorities for Limerick and Clare, the Mid-West Regional Authority, the Regeneration Agencies and the Department of the Environment, Heritage and Local Government. DKM and RPS would like to acknowledge the high level of co-operation and assistance received from all concerned during the course of preparing this Joint Housing Strategy.

2. Housing Strategy in a Policy Context

2.1 Overview of Relevant Policy Documents

The Joint Housing Strategy is set within the context of a range of national, regional, City and County policy documents that impact on the direction and content of the Joint Housing Strategy for Limerick and Clare. The following comprise the most relevant documents:

National Policy

The National Development Plan 2007-2013

National Spatial Strategy 2002-2022

National Housing Policy

Housing (Miscellaneous Provisions) Act 2009

New Leasing Arrangements for the Delivery of Social Housing, 2009

Sustainable Residential Development in Urban Areas, 2008

Quality Housing for Sustainable Communities - Best Practice Guidelines, 2007

Delivering Homes, Sustaining Communities – Statement on Housing Policy, 2007

Housing Policy Framework – Building Sustainable Communities, 2005

Rental Accommodation Scheme (RAS)

Sustainable Urban Housing - Design Standards for New Apartments, 2007

Sustainable Rural Housing - Guidelines for Planning Authorities, 2005

Making Ireland Development Sustainable, 2002

Regional Planning Policy

Mid-West Regional Development Plan 2004

Mid-West Regional Planning Guidelines 2010-2022

Statutory Development Plans

Limerick City and County

Limerick City Development Plan 2004 to 2010

Limerick County Development Plan 2005 to 2011

Applicable Local Area Plans for the main Towns and Villages in County Limerick.

Limerick Regeneration Programme

(Statutory reference as per S.I. Nos. 275 and 276 of 2007)

The Fitzgerald Report to the Cabinet Committee on Social Exclusion: Addressing Issues of Social Exclusion in Moyross and other disadvantaged areas of Limerick City, 2007

Clare

Clare County Development Plan 2005-2011

Kilrush Development Plan 2008-2014

Ennis & Environs Town Council Plan 2008-2014

Ennis and Environs Development Plan Housing Strategy 2008-2014

Applicable Local Area Plan for North, South, East and West Clare

Related Documents

The Riverside City Project & the City Centre Strategy 2007

Limerick City Development Strategy (CDS)

Limerick County Development Strategy

Facing the Challenge of Change: A Spatial Perspective on Limerick

As the majority of the policy background has been dealt with elsewhere in the respective Development Plans the focus here is on a small number of pertinent documents which are discussed below. Appendix 1 contains an outline of relevant policy statements on housing and sustainability which are relevant to the provision of housing in a manner consistent with the best use of available infrastructure (including land).

2.2 National Spatial Strategy

The **National Spatial Strategy 2002-2020** was published by the DEHLG and is of particular relevance to the Joint Housing Strategy. This 20 year planning framework is a strategy for the development of all parts of Ireland with the aim to achieve a better balance of social, economic and physical development across the country. It requires that Regional Planning Guidelines are put in place across the country. It is the policy of the participating local authorities, as constituents of the Mid-West Regional Authority, to promote the development strategy set out in the National Spatial Strategy.

A key concept of the NSS is the development of potential and critical mass around a series of “gateways” and “hubs”. Gateways are centres with a strategic location, nationally and relative to their surrounding areas, providing national-scale social and economic infrastructure and support services. Hubs are other towns supporting balanced development by linking the capabilities of the gateways to other areas. **The NSS recognises the Limerick/Ennis/Shannon area as a Gateway/Hub zone whose further development is a key component of the NSS.**

As part of this review updated population targets for the Mid-West Regional population have been derived which have important implications for the growth of Limerick City and its Environs and the Limerick/Shannon Gateway over the period of the Housing Strategy. These population targets form the basis of the Housing Strategy.

The NSS noted that the Limerick/Ennis/Shannon area needs to be strengthened, providing a platform for capitalising on the strategic location of this cluster, where a number of road and rail transport corridors converge.

In relation to the provision of Housing in Urban Areas (Section 5 of NSS), the NSS looks at the obligations of local authorities, under the provisions of Part V of the Planning and Development Act 2000, to prepare detailed estimates of housing demand for all sectors – private, social and affordable housing – through the preparation of housing strategies as part of the development plan process. According to the strategy it is vitally important that both housing strategies and development plans take account of the spatial framework provided by the NSS and the considerations relating to the location of different activities set out.

There is also a strong emphasis on the **sustainable provision of housing in urban area**, including on:

- The concentration of development in locations where it is possible to integrate employment, community services, retailing and public transport.
- Mixed-use and well-designed higher density development, particularly near town centres and public transport nodes like railway stations.
- The efficient use of land by consolidating existing settlements, focusing in particular on development capacity within central urban areas through re-use of under-utilised land and buildings as a priority, rather than extending green field development.

- Placing a high degree of emphasis on creating living environments of the highest quality through attention to detail in urban design, integration of amenities, facilities for children, older persons and sections of the community with special needs.

2.3 Mid-West Regional Planning Guidelines

The Mid-West Regional Authority has prepared **Regional Planning Guidelines** for the administrative areas of Clare County, Limerick City Council, Limerick County Council and North Tipperary County Council. The Guidelines provide a Strategic Planning Framework for the future physical, economic and social development of the Mid-West Region and shall in accordance with the Act, be incorporated into relevant Development Plans by the respective Local Authorities in Limerick and Clare. The Guidelines are a Review of the Regional Planning Guidelines 2004-2016 and have been prepared **for the 12-year period 2010-2022.**

Population targets – minimum of 70% located in Limerick City by 2022

The Guidelines note that in July 2009 the Department of Environment, Heritage and Local Government (DEHLG) published specific population targets for Gateways and Hubs. **The intention of the projected population targets is to accord a priority to these locations and thereby propose that they grow at a proportionally faster rate than the Mid-West region as a whole.** In the case of the Limerick/Shannon Gateway, the target shows a proposed minimum growth of 33,000 persons to 2022. The Guidelines states that the DEHGL requires that a minimum of 70% of this target by 2022 be located within the area of Limerick City. It is noted in the Guidelines that the projected population targets for Limerick/Shannon Gateway combined is 132,980 persons in 2022. The projection for the Hub of Ennis up to 2022 is 32,950 persons.

The Guidelines identify an approach to population distribution within the Region having regard to the economic, social and employment needs (a similar approach was adopted in the 2004 Guidelines). The approach states that:

- The Limerick/Ennis/ Shannon area should grow to a size that will enable it to attract industry and other forms of development investment, but without compromising the development of the rest of the region. In this context the particular role of Limerick/Shannon as the regional Gateway should be identified and enhanced as a coordinated metropolitan centre.
- The city core of this area would develop as a vibrant, multipurpose zone with a population of a size capable of supporting a high level of social and commercial activity.
- That this area would be linked through an integrated public transport system, as well as a system of roads to accommodate the private car, and that an integrated traffic management plan would be developed and put in place for this area.
- That the area immediately adjacent to Limerick/Ennis/Shannon would be provided with a transport system giving easy access to the core area and allowing its population to benefit from the facilities provided.
- That transport systems would be developed that would link the peripheral areas of the region with the core area of Limerick/Ennis/Shannon, which would facilitate an exchange of social and economic activity between those areas.

Housing provision

In terms of housing provision the Guidelines identify that according to the 2006 Census of Population there were more than 125,000 occupied houses in the Mid-West Region. The average household size was 2.87 persons. It is expected that in line with national trends the average household size will fall in the Mid-West Region to 2.4 by 2022. The Guidelines states that these assumptions differ significantly for the situation in 2004 Guidelines.

It is expected that the total number of households in the Region will grow by over 67,000 between 2006 and 2022. The Guidelines estimate that there were 18,500 non-holiday home dwellings vacant in 2006 and 58,200 houses will need to be built over the sixteen years. Up to 1% of the existing housing stock will have to be replaced each year due to obsolescence etc according to the Guidelines. This would require more than 2,022 Ha of residential land. The review of the Mid-West Region's sub-zones, set out in Section 1.4 of the Guidelines, identifies that more than 2,500 Ha of land are zoned for residential development. Therefore there is adequate provision of available zoned residential lands to meet the projected housing requirements as set out in the Guidelines.

Economic development must underpin population distribution

Section 3.3 of the Guidelines pertains to Planning & Economic Development of the Region. It is acknowledged that it is of particular importance that the economic development of the whole region is addressed in a balanced manner, as **the population distribution as set out in the Guidelines can only occur if it is underpinned by economic and particularly employment development that will sustain such a distribution.**

It is noted in the Guidelines that in the Mid-West Region, the major centres of employment encompassing nearly half of all fixed places of employment were identified as follows:

City Centre (Limerick)	13,000
Raheen/Dooradoyle	12,000
Ennis	11,000
Shannon	10,000
Plassey/Ballysimon	3,000
Annacotty	2,000

Thus Limerick City centre contains slightly more than a quarter of all jobs with a fixed workplace. The Guidelines note that this distribution makes it difficult to optimise the provision of public transport which is naturally focused in a radial manner on Limerick City. The Guidelines state that the policies that will assist the regeneration of Limerick City Centre as a location for employment and that will seek to maximise the use of public transport in other existing locations should be adopted.

The Guidelines states that the **Limerick Regeneration Project is an "extremely significant" development at the heart of the Region's Gateway.** In addition the Guidelines state "Amongst the key areas of focus of the regeneration projects are employment creation, education, physical regeneration, improved social and recreational facilities as well as a greater social mix that would reflect that found in less homogenous areas."

As part of this review updated population targets for the Mid-West Regional population have been derived which have important implications for the growth of Limerick City and its Environs and the Limerick/Shannon Gateway over the period of the Housing Strategy. These population targets (Section 3) form the basis of the Housing Strategy.

2.4 Core Strategies for Limerick and Clare

In bringing all this together in terms of the Draft Development Plan each Local Authority has produced a Core Strategy, which is summarised below.

LIMERICK CITY DRAFT DEVELOPMENT PLAN 2010-2016.

The Core Strategy of the Draft City Plan states that central to the development of the city, *'is the anticipated population and the requirements to meet that target in a sustainable manner'*. The Strategy in turn confirms that there is sufficient land available to meet the housing need for the lifetime of the plan and that with 60% of the population target (for the plan period) capable of being met by the regeneration programme, the development plan is in accordance with National Policy in respect of supporting the Regeneration Programme.

The Core Strategy also supports the further development of the city centre as the primary strategic employment location, with further potential within the Docklands, as well as suburban locations such as the regeneration areas and Coonagh/Clondrinagh.

The provision of adequate infrastructure to support the needs of an expanding population is considered essential.

LIMERICK COUNTY DRAFT DEVELOPMENT PLAN 2010-2016

The Core Strategy of the Draft County Plan is also predicated on consistency with the population targets put forward for the Mid-West Region by the DEHLG.

The Strategy in turn confirms that there is sufficient land available to meet that housing need for the lifetime of the plan. The available zoned land is distributed to settlements within the defined settlement strategy.

The Core Strategy reports that in providing for economic development, regard will be had to the County settlement hierarchy which promotes the Gateway, followed by the key towns as the primary locations for development, including economic development.

CLARE COUNTY DRAFT DEVELOPMENT PLAN 2011-2017

The Core Strategy of the Clare County Draft Plan confirms that it has been informed by the hierarchy of spatial and land use plans, including the National Spatial Strategy and the Mid-West Regional Planning Guidelines. Key elements of the Strategy include, *'to provide for population growth having regard to population targets for County Clare, and the linked Gateway of Shannon/Limerick allocated by the Mid West Regional Authority and distributed having regard to the County settlement hierarchy....'*

2.5 Implications for the Joint Housing Strategy

Based on the above policy context, the overriding implication for the Housing Strategy concerns the population projections for the Mid-West region. The Housing Strategy needs to be consistent with:

- 1) The NSS, which recognizes a) the Limerick/Shannon Gateway as a strategic location where development is to be concentrated, together with other infrastructure and support services, and b) Ennis Town as a Hub location, expected to support the development of the Gateway and other towns.

- 2) The DEHLG population targets, which require a minimum of 70% of the target population for the Limerick/Shannon Gateway to be located in Limerick City by 2022.
- 3) The MWRA guidelines which recognize the importance of the Limerick Regeneration Project for the development of the Limerick/Shannon Gateway but also recognize that the success of the Regeneration Project requires attention to be focused on a number of key areas, including employment creation and improved social and recreational facilities, if a more balanced social mix is to be achieved.
- 4) The Core Strategy of the Draft Limerick City Development Plan which projects that 60% of the population target for the plan period (2010-2016) is capable of being met by the Regeneration Programme.

Thus the Housing Strategy must recognize that economic development must initially be promoted in the Limerick/Shannon Gateway with a focus on Limerick City, followed by the key towns in Limerick and Clare.

3. Population and Household Targets

The future distribution of the population within the areas covered by the Joint Housing Strategy is an important factor in deciding where future housing should be located. The distribution of population must also be related to the capacity of the respective areas to accommodate development in terms of the quantum of zoned land supply, a factor which is considered in Section 4. The MWRA has produced population targets for the functional areas of the Mid West⁴ which take into account a number of factors, most notably, the population targets for the Mid-West region, the Limerick/Shannon Gateway and the Ennis Hub, as finalised by the Department of the Environment, Heritage and Local Government in October 2009. In this regard **the future location of housing across the region is in some sense predetermined by the population targets which have been set by the MWRA.**

This section provides a review of the population and household targets for the areas covered by the Joint Housing Strategy, which will determine the level of housing demand over the Strategy period. Appendix 2 contains a review of population trends in Limerick and Clare over the period 1996-2006 and presents a classification of the functional areas within Clare and Limerick which are referred to throughout the Strategy.

3.1 Population Targets

In October 2009, the DEHLG set out population targets for Gateways and Hubs for the years 2016 and 2022⁵. The targets represent the minimum population numbers for these locations to be factored into estimates of future development land requirements for these years, setting the context for city/county development plans and local area plans. For the purpose of the Strategy, DKM derived population targets for 2017 by interpolating the annual average expected growth between 2006 and 2016 and applying it to the 2016 figure to ascertain the 2017 population.

Table 3.1 Population Targets

Year	Region Mid West	Gateway Limerick/Shannon	National
2006a	361,028	99,979	4,239,848
2009e	374,000	103,485*	4,459,300
2010p	383,800	104,700	4,584,900
2016p	427,316	124,395	4,997,000
2017p	434,580	127,143	5,079,784

Source: 2006 Census of Population and DEHLG a = actual; e = estimate; p = projected
2009 based on estimates at April 2009 from the CSO published September 2009.

*Interpolated by DKM

2016 figures for Gateway from MWRA.

National and Regional targets from the DEHLG.

The MWRA provided population targets to 2016 for the functional areas of the Mid-West region in the latest Planning Guidelines and these form the basis for 2017 figures used in this report. A

⁴ The Guidelines published by the MWRA provide population targets for the years 2016 and 2022. The Joint Housing Strategy covers the period 2010-2017. Thus figures for 2017 have been estimated by applying the average annual growth between 2006 and 2016 to provide estimates for 2017. The 2016 figures are shown throughout this section for ease of comparison.

⁵ Regional Planning Guidelines Review – Gateway and Hub Population Targets, Department of the Environment, Heritage and Local Government, October 2009.

detailed breakdown of the MWRA population targets to 2016 for the Limerick/Shannon Gateway and the respective functional areas of the Mid-West region are outlined below. In order to derive targets for 2017, it was necessary to extrapolate from the 2016 targets using the respective annual average growth rates from 2006-2016.

3.1.1 Population Targets for Limerick/Shannon Gateway

The approach adopted by the DEHLG in setting population targets is that the rate of population growth in gateways, other than Dublin, should be at least 1.5 times that of their regions over the period 2016-2022. Specifically in respect of the Limerick/Shannon Gateway, the DEHLG Guidelines require that

“taking account of the need to support the considerable future public investment in regeneration in the City, in the region of 70% of the increase of the population for the Limerick/Shannon Gateway must be applied to the area of the Limerick City Council, with the balance to be distributed between the remaining relevant areas in Counties Limerick and Clare”.

Accordingly:

- a) The targets set by the MWRA have **the area of Limerick City Council accounting for 45% of the target population increase set for the Limerick/Shannon Gateway in 2016** (and also 2017 as extrapolated by DKM).
- b) The population targets set by the MWRA for the Limerick/Shannon Gateway⁶ show the population in the Gateway increasing by 2.2% per annum over the period 2006-2017 compared with 1.7% for Limerick City, with **the area of Limerick City Council accounting for 45% of the target population increase set for the Limerick/Shannon Gateway in 2017**.
- c) Overall the Gateway population target for 2017 shows the population increasing by 27,233 persons of which 12,181 (45%) are expected to reside in Limerick City, approximately 6,546 (24%) in Limerick City Environs and around 8,506 (31%) in Shannon and the Limerick City Environs part that is in Clare.

The Limerick City Environs part that is in Clare comprises part of Ballyglass, which when amalgamated with Shannon, gives the total sum for the Clare part of the Gateway in the table below.

As the Limerick/Shannon Gateway is the prime focus of growth, its population growth is expected to take place at a higher rate than anywhere else in the rest of the region (see below), reflecting the fact that the Gateway areas are expected to be the areas which most likely benefit from regional development in the coming years.

⁶ Were derived in consultation with the constituent local authorities and are based on MWRA population targets for the year 2016.

Table 3.2 MWRA Gateway Population Targets

Limerick Shannon Gateway	2006	2016P est	2017P est	2017 Share %	2006-2017 ave ann % growth	2006-2017P increase
Limerick City	59,790	70,768	71,971	57%	+1.7%	+12,181 (45%)
Limerick City Environs	26,946	32,836	33,492	26%	+2.0%	+6,546 (24%)
Clare (i.e. Shannon plus Limerick City Environs part that is in Clare)	<u>13,243</u>	<u>20,790</u>	<u>21,749</u>	<u>17%</u>	<u>+4.6%</u>	<u>+8,506 (31%)</u>
Total Gateway 2006 (per DEHLG)	99,979	124,395	127,212	100%	+2.2%	+27,233 (100%)

Note: 2006 figures for Limerick are adjusted for the boundary change in 2008

P=projected

Source: Mid-West Regional Authority, DKM

3.1.2 Population Targets for Limerick

The next Table contains the MWRA's population targets set for the functional areas of Limerick and Clare in 2016 which appear in the Regional Planning Guidelines. The strongest annual average population growth rates over the period 2006-2016 are projected for Limerick City Environs (+2.0%) and Ennis and its suburbs (+2.1%) and compare with the growth targets above for the Gateway of 2.2% per annum over the same period.

Table 3.3 MWRA Population Targets to 2016

Limerick	2006	ave ann % growth	2016P est	2016P Share %	2006-2016P increase
Limerick City	59,790	1.7%	70,768	32%	+10,978 (32%)
Limerick City Environs (County)	26,946	2.0%	32,836	15%	+5,890 (17%)
Limerick County minus Environs	97,319	1.6%	114,245	52%	+16,926 (50%)
Total Limerick County	<u>124,265</u>	1.7%	<u>147,081</u>	<u>68%</u>	<u>+22,816 (68%)</u>
Total Limerick	184,055	1.7%	217,849	100%	+33,794 (100%)
Clare					
SW Clare 2 (1)*	16,736	1.2%	18,836	14%	+2,100 (10%)
Ennis and Suburbs (2)	24,253	2.1%	29,963	23%	+5,710 (28%)
Rest of Clare (3 minus [1+2])**	69,961	1.7%	82,522	<u>63%</u>	<u>+12,561 (62%)</u>
Total Clare (3)	110,950	1.7%	131,321	100%	+20,371 (100%)
Gateway					
Limerick/Shannon	99,979	<u>2.2%</u>	124,395		+24,316
Region					
Mid West Region	361,028	<u>1.7%</u>	427,316		+66,288

Source: Mid-West Regional Authority Planning Guidelines 2010-2022 p. 53.

Note: 2006 figures for Limerick are adjusted for the boundary change in 2008

* SW Clare 2 refers to the zone of South West Clare which stretches from Loop Head to Inagh

** The figure for the 'Rest of Clare' is derived by subtracting SW Clare 2 and Ennis & Suburbs from the aggregate total for Clare. Specific population targets for Kilrush/Ennis Town have not been provided in the Mid-West Regional Authority Planning Guidelines.

Based on the above figures, population estimates for Limerick City and County have been derived to 2017 for use in the Housing Strategy and show the following:

- Limerick City is expected to account for approximately 57% of the Limerick/Shannon Gateway population in 2017 and is projected to increase by 1.7% per annum over the period 2006-2017 in line with 1.7% for Limerick as a whole.

- b) The entire county of Limerick is set to increase its population by 20.4% (37,497 persons) between 2006 and 2017. The City is expected to account for 32% of the increase in numbers and when combined with the City's Environs, 50% (18,727 persons) of the total increase falls into the City and City Environs. Limerick's population is expected to grow at an annual average growth rate of 1.7% over the period 2006-2017 with Limerick City Environs experiencing a faster increase (+2.0%) when compared with Limerick City (+1.7%) and Limerick County (+1.7%).
- c) The entire county of Limerick, with a target population of 221,552 persons by 2017, will account for around 51% of the population of the Mid-West region in 2017.

Table 3.4 MWRA Population Targets for Limerick

Limerick	2006	ave ann % growth	2017P est	2017P Share %	2006-2017P increase
Limerick City	59,790	1.7%	71,971	32%	+12,181 (32%)
Limerick City Environs (County)	26,946	2.0%	33,492	15%	+6,546 (17%)
Limerick County minus Environs	97,319	1.6%	116,091	52%	+18,772 (50%)
Total Limerick County	<u>124,265</u>	<u>1.7%</u>	<u>149,581</u>	<u>68%</u>	<u>+25,316 (68%)</u>
Total Limerick	184,055	1.7%	221,552	100%	+37,497 (100%)

Source: Census of Population, Mid-West Regional Authority, DKM

Note: 2006 figures for Limerick are adjusted for the boundary change in 2008.

Totals may not sum due to rounding.

P = projected.

The Environs of Limerick City are comprised of parts of Ballycummin, Ballysimon, Ballyvarra, Limerick South Rural and Limerick North Rural.

3.1.3 Population Targets for Clare

Based on the Regional Planning Guidelines, population estimates for the administrative areas of Clare County Council, Ennis Town Council and Kilrush Town Council have been derived to 2017. The population targets in this report for 2017 are based on the annual average growth rates in the Regional Planning Guidelines from 2006-2016.⁷

- Clare's overall population is projected to increase to 132,022 in 2017, around 30% of the total population in the Mid-West region, an increase of 21,072 people since the 2006 Census.
- Clare County Council's administrative area, which is expected to account for approximately 78% of Clare's population in 2017, is projected to increase at an annual average growth rate of 1.4% from 88,151 persons in 2006 to 103,055 in 2017.
- Ennis Town, which is expected to account for 19% of Clare's population in 2017, is forecast to increase at an annual average growth rate of 2.1%, based on a target of 25,416 people in 2017.

⁷ A figure of 133,553 for County Clare 2017 would have been arrived at using the average percentage annual growth rate methodology. However, in the interests of consistency, this lower figure used reflects the marginally lower targeted growth rate from 2016 to 2017 in the Core Strategy of the adopted Clare County Development Plan 2011-2017.

- Kilrush Town is projected to grow at 2.7% per annum over 2006-2017, based on a target of 3,551 people in 2017.

Table 3.5 MWRA Population Targets for Clare

Clare	2006	ave ann % growth	2017P est	2017P Share %	2006-2017P increase
Clare County Council	88,151	1.4%	103,055	78%	+14,904 (71%)
Kilrush Town	2,657	2.7%	3,551	3%	+894 (4%)
Ennis Town	<u>20,142</u>	<u>2.1%</u>	<u>25,416</u>	<u>19%</u>	<u>+5,274 (25%)</u>
Total Clare	110,950	1.6%	132,022	100%	+21,072 (100%)

Source: Census of Population, Mid-West Regional Authority, DKM.

3.2 Review of Household Trends in Limerick and Clare

With both Limerick and Clare's population expected to increase over the course of the Strategy, this will inevitably place an increased burden on the housing needs of the respective local authorities.

According to the Census of Population there were 125,427 households in the Mid-West region in 2006, over one-half (51.2%) of which were in Limerick and less than one-third (30.5%) of which were in Clare (the balance of 18.3% reside in North Tipperary). Projections for the household population across the Mid-West region were derived by DKM based on the following methodology:

- Starting with the base year 2006, the proportion of the total population in private households as a percentage of the total population was derived. This figure is used to derive the projected population in private households in 2017, by applying it to the population targets for the constituent areas of the Housing Strategy.
- Secondly it is assumed that by 2017 the average household size across each of the constituent areas declines by half of the rate it declined by over the period 1996-2006. This generates the projected average household size in 2017 as set out in Table 3.6. The continued decline in average household size reflects changes in society, including the increasing incidence of marital breakdown and the increase in the number of elderly people living alone.
- Finally the total number of private households is projected based on (a) and (b) above. Non-private households which include persons living in communal establishments are not considered relevant for the purposes of the Housing Strategy.

The total number of private households in Limerick and Clare is as follows.

Table 3.6 Targets for private households and forecast average household size						
	2006	2008E	2017P	2017 % Share	2006 AHS	2017P AHS
Limerick City	19,550	21,109	28,699	18%	2.58	2.40
Limerick County	<u>44,675</u>	<u>46,482</u>	<u>54,936</u>	34%	<u>2.87</u>	<u>2.65</u>
Total Limerick	64,225	67,636	83,635	51%	2.78	2.58
Clare County Council	29,979	31,250	38,005	23%	2.84	2.65
Kilrush Town	943	956	1,287	1%	2.57	2.54
Ennis Town	<u>7,288</u>	<u>7,673</u>	<u>9,672</u>	<u>6%</u>	<u>2.62</u>	<u>2.48</u>
Total Clare	38,210	39,879	48,969	30%	2.79	2.62
Mid West Region	125,427	131,491	162,670	100%	2.79	2.59

* Percentages do not sum to 100 as North Tipperary is also part of the Mid West Region.

Note: 2006 figures for Limerick are adjusted for the boundary change in 2008

Source: CSO, DKM

In Limerick:

As of 2006, there were 44,675 private households in Limerick County, an increase of 16% from 2002, while private households in Limerick City increased by 3% over the same period to 19,550.

The average household size in Limerick fell by an annual average growth rate of -1.37% during 1996-2006 to 2.78 persons per household. The above projections for 2017 assume that the average household size will continue to fall in Limerick over the course of the Strategy but by only half the rate at which they fell in the decade to 2006. Consequently, **by 2017 Limerick City is expected to have 2.40 persons per household, implying an additional 9,149 households compared with 2006 - while Limerick County's average household size will fall to 2.65 – implying an additional 10,261 households compared with 2006.**

Based on the population targets set for the respective counties, Limerick is forecast to marginally increase its share of the region's household population to 51.4% by 2017 from 51.2% in 2016. The strongest increase is expected in Limerick City which increases its share of the region's household population to 18% from 16% in 2006.

In Clare:

As of 2006, there were 38,210 private households in the whole of Clare, an increase of 13% from 2002. The average household size in Clare fell by an annual average growth rate of -1.12% during 1996-2006 to 2.79 persons per household.

The above projections for 2017 assume that the average household size will continue to fall in Clare over the course of the Strategy but by only half the rate at which they fell in the decade to 2006. Consequently, **by 2017 Clare is expected to have 2.62 persons per household, implying an additional 10,759 households compared with 2006.**

3.3 Implications for the Joint Housing Strategy

- 1) According to the population targets for 2017, Limerick City Environs, as part of the Gateway of Limerick/Shannon, the Hub of Ennis and Kilrush are expected to record the strongest

annual average population growth rates over the period 2006-2017, equivalent to 2.0%, 2.1% and 2.7% respectively. Overall the population targets for the Limerick/Shannon Gateway show it increasing by 2.2% per annum on average over the same period.

- 2) These growth rates translate into an additional 27,233 persons in the Gateway over the period 2006-2017, of which 45% are expected to reside in Limerick City, 24% in the City Environs and 31% in Shannon and the part of Limerick City Environs that is in Clare.

Table 3.7: Increase in Population and Household Targets for period 2006-2017

	Target for Population increase 2006-2017		Target for Household increase 2006-2017		Target for Household increase 2010-2017*	
Limerick/Shannon Gateway	27,233	100%	17,104	100%	9,348	100%
<i>of which in</i>						
Limerick City	12,181	45%	9,149	45%	4,203	45%
Limerick City Environs	6,546	24%	2,653	24%	2,258	24%
Clare	8,506	31%	5,302	31%	2,887	31%
Limerick						
<i>of which in</i>						
Limerick City	<u>12,181</u>	<u>32%</u>	<u>9,149</u>	<u>47%</u>	<u>4,203</u>	<u>32%</u>
Limerick City Environs	6,546	17%	2,653	14%	2,258	17%
Limerick County minus Environs	<u>18,772</u>	<u>50%</u>	<u>7,609</u>	<u>39%</u>	<u>6,477</u>	<u>50%</u>
Total Limerick County	25,316	68%	10,261	53%	8,734	68%
Total Limerick	37,497	100%	19,410	100%	12,937	100%
Clare						
<i>of which in</i>						
Clare County Council	14,904	71%	8,026	75%	5,058	71%
Ennis Town	5,274	25%	2,384	22%	1,790	25%
Kilrush Town	894	4%	344	3%	303	4%
Total Clare	21,072	100%	10,754	100%	7,152	100%
Total Limerick and Clare	58,569		30,164		20,089	

Source MWRA and DKM.

* Increases projected for the Housing Strategy period (see Section 6).

- 3) Translating the population targets into households, a further 19,410 households are projected for Limerick by 2017, of which 9,149 (47.1%) are in the City and 10,261 (52.9%) are in Limerick County.
- 4) The increase in Clare over the period 2006-2017 is 10,754 households, of which 8,026 (75%) are in the Clare County, 2,384 (22%) locate in Ennis Town and 344 (3%) arise in Kilrush Town.
- 5) As already noted, the population targets and the distribution of population (and consequently housing) can only occur if the necessary policies to support social and economic developments in the various areas are pursued by the relevant authorities.
- 6) Given the importance of the population targets for the overall Strategy, it is recommended, as part of the review of the Housing Strategy, that the population data is updated as soon as possible after the 2011 Census of Population is published.

4. Housing Supply

This section considers a number of aspects to do with housing supply across Limerick and Clare. Firstly it acknowledges the different forms of supply across the market for accommodation and analyses the composition by tenure in each county. Separate social housing stock figures from the individual local authorities for 2009 are also presented. There is an analysis of recent housebuilding trends including a breakdown of completions by private/public sector and by type.

An important issue in the current housing market is the level of vacant stock and up to date estimates for Limerick and Clare are presented in this section. This is very important in the context of future housing supply and is expected to make an important contribution to addressing housing demand over the short to medium term of the Strategy⁸. Finally the section provides an assessment of the available quantum of zoned land for residential development across Limerick and Clare.

4.1 Housing Tenure in Limerick and Clare

It is important to acknowledge that the housing market is a market for accommodation that can be subdivided into different sectors. The latest information on housing tenure in Limerick and Clare relates to the 2006 Census of Population and shows the following breakdown of the housing stock across Limerick and Clare:

	Limerick City	Limerick County	Clare
Owner occupied	✓ 63%	✓ 78%	✓ 80%
Private rented	✓ 14%	✓ 9%	✓ 8%
Rented from Local Authority or Voluntary Body	✓ 18 %	✓ 8%	✓ 8%
Occupied free of rent	✓ 1%	✓ 2%	✓ 2%
Not stated	✓ 3%	✓ 3%	✓ 3%

⁸ See Section 7.3

Table 4.1: Housing Tenure across Limerick and Clare, 2006

	Limerick City	%	Limerick County	%	Limerick Total	%	Clare Total	%
Owner occupied with mortgage	5,554	28%	17,549	39%	23,103	36%	15,145	40%
Owner occupied with no mortgage	6,197	32%	17,042	38%	23,239	36%	14,766	39%
Purchased from Local Authority	<u>568</u>	<u>3%</u>	<u>544</u>	<u>1%</u>	<u>1,112</u>	<u>2%</u>	<u>482</u>	<u>1%</u>
Total Owner occupied	12,319	63%	35,135	78%	47,454	74%	30,393	80%
Rented from Local Authority	2,493	13%	2,035	5%	4,528	7%	1,811	5%
Rented from Voluntary Body	<u>1,030</u>	<u>5%</u>	<u>1,501</u>	<u>3%</u>	<u>2,531</u>	<u>4%</u>	<u>1,068</u>	<u>3%</u>
Total Social rented	3,523	18%	3,536	8%	7,059	11%	2,879	8%
Private rented	2,792	14%	3,795	9%	6,587	10%	2,922	8%
Occupied free of rent	214	1%	760	2%	974	2%	673	2%
Not stated	<u>665</u>	<u>3%</u>	<u>1,217</u>	<u>3%</u>	<u>1,882</u>	<u>3%</u>	<u>1,159</u>	<u>3%</u>
Total	19,513	100%	44,443	100%	63,956	100%	38,026	100%

Source: 2006 Census of Population

Note: Due to rounding, percentages may not sum to 100.

The figures illustrate the position in 2006 as follows:

- Based on the number of households who provided information on their tenure in April 2006, there were almost 64,000 households in Limerick and around 38,000 in Clare. Approximately 30% of households in Limerick reside in Limerick City.
- Owner occupied households dominate across the region, accounting for around 80% in Limerick County and Clare but only 63% in Limerick City, and 74% overall in Limerick. Approximately one half of owner occupied households in Limerick County and Clare had a mortgage in 2006, while in Limerick City, of the 12,319 owner occupied households in 2006, approximately 45% had a mortgage.
- In 2006 there were 6,587 (10%) households renting from the private sector in Limerick, of which 42% or 2,792 households were in Limerick City. The proportion of total households renting from the private sector was 14% in Limerick City and 9% in Limerick County, with only 8% in Clare. The likelihood is that the numbers renting in the private sector increased further over recent years, although the economic recession and increased unemployment may have shifted some of the demand to the public sector.
- The sharp contrast in respect of the numbers renting from the public sector is evident with 18% renting from the public sector in Limerick City compared with 8% in both Limerick County and Clare and 11% in Limerick overall. Clearly these are average figures and it is well known from the work done by the Regeneration Agencies and others, that there are areas within the City which suffer from acute problems of disadvantage. Some estates within Limerick would have in excess of 50% social rented households. This is an important issue in

deciding the location of new social housing over the period of the Strategy and is addressed later in the report.

4.2 Social housing stock

However, it is important to differentiate the above figures on tenure from the numbers of dwellings which were constructed as rented social housing units in Limerick City over several years. Information obtained from Limerick City Council shows that the Council has over time directly provided in excess of 8,300 rented social housing units in the City. Based on the total stock of dwellings in Limerick of 23,065 according to the 2006 Census, the proportion is equivalent to 36%.

However, adjusting this figure of 8,300 for the 5,515 units purchased over time under the tenant purchase scheme (according to Limerick City Council) generates 2,785 local authority rented units, which is the position according to Limerick City as at end 2009 (Table 4.2). When these are added to the number of Rental Accommodation Scheme (RAS) properties and those provided by voluntary bodies, **the total social housing stock in Limerick City comes to 3,304, which is less than the figure in the 2006 Census (3,523).**

Data received from the Limerick local authorities shows that the **total social housing stock across Limerick was 6,153 units in July 2009**, including 4,803 rented units and 1,350 units provided under RAS and by the voluntary housing sector. This figure is substantially below the 2006 Census figure of 7,059.

Table 4.2: Limerick Social Housing Stock (as of July 2009)

Housing Stock	Limerick City	Limerick County	Total Limerick
Rented properties	2,785	2,018	4,803
RAS properties	295	246	541
Voluntary bodies	224	585	809
Total Stock	3,304	2,849	6,153

Source: Limerick Local Authorities.

The corresponding figures for Clare are set out below and show **the total public housing stock was 2,296 units across Clare as of July 2009**. There are a further 332 properties provided under RAS and 334 provided by voluntary bodies. This figure is higher than the 2006 Census figure of 2,879.

Table 4.3: Clare Social Housing Stock (as of July 2009)

Housing Stock	Clare County Council	Ennis Town Council	Kilrush Town Council	Total Clare
Housing Authority stock	1,524	592	180	2,296
RAS properties (administered for county by CCC)	102	217	13	332
Voluntary Bodies (administered for County by CCC)	203	128	3	334
Total	1,829	937	196	2,962

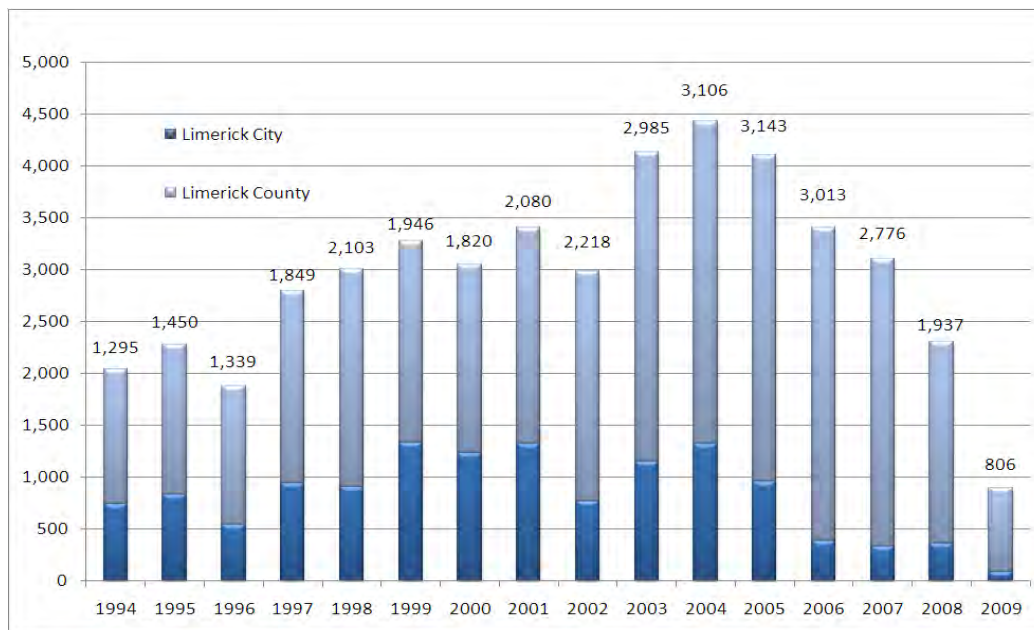
Source: Clare Local Authorities.

Thus the total social housing stock in Limerick and Clare was 9,115 in 2009 compared with 9,938 as per the 2006 Census.

4.3 Housebuilding activity in Limerick and Clare

In line with national trends, the level of house building in Limerick and Clare reached unprecedented levels over the decade to 2006. At the peak in 2005, the total number of new dwellings built in Limerick was 3,143 compared with 1,450 units a decade earlier. Total completions in Clare peaked at 2,727 in 2006 compared with 966 units a decade earlier. Limerick and Clare between them accounted for approximately 80% of total housebuilding in the Mid-West region in 2005 and 2006 and around 8% of the State total.

Figure 4.1: Total housebuilding Limerick City and County 1994 - 2009

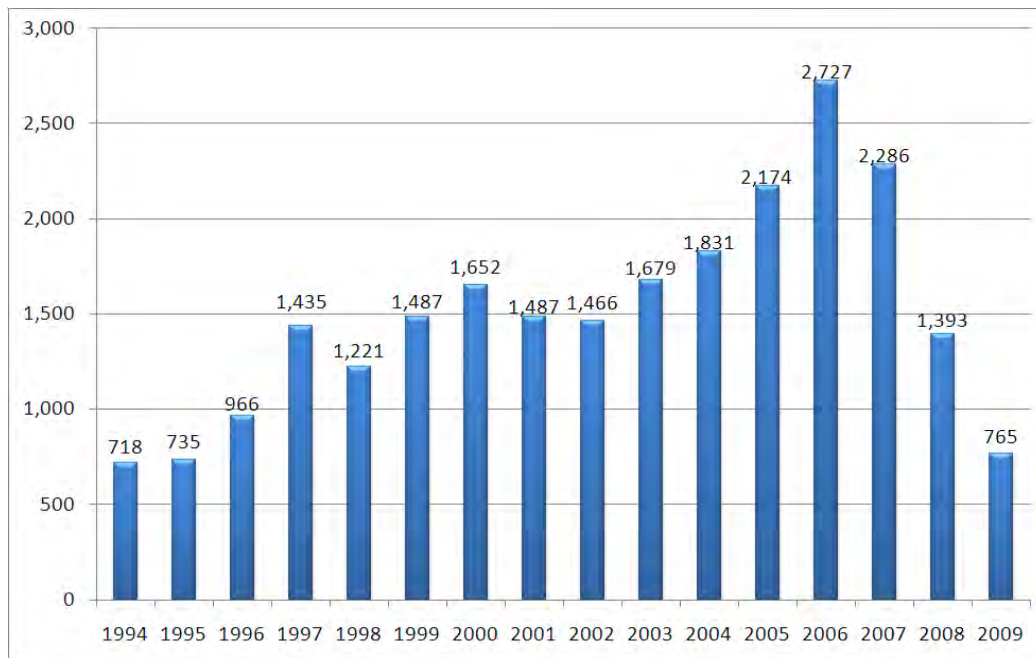


Source: DEHLG, www.environ.ie

Within Limerick, total housebuilding in Limerick City declined sharply from 2004 onwards when housebuilding peaked at 1,324 units. **Over the entire period 1994 to 2009, the total number of completed units across Limerick was 33,866 units, of which approximately 40% (13,249) were provided in Limerick City with the balance of 60% in Limerick County (20,617).**

With the population in Limerick split approximately one-third in the City and two-thirds in the County, the housebuilding proportions of 40%:60% over the period 1994-2009 are reasonably in line with the population breakdown.

Figure 4.2: Total housebuilding completions in Clare 1994-2009



Source: DEHLG, www.environ.ie

The slowdown in housebuilding which commenced in 2007 gathered pace in the following two years, with **just 806 new units built in Limerick in 2009** (only 93 units in Limerick City). Similar trends are evident in **Clare where total housebuilding fell substantially to 765 units in 2009**.

The severe extent of the slowdown is evident from the number of commencements, recorded in both counties in 2009. Total commencements across Limerick fell to just 323 units in 2009, of which only 9 were commenced in Limerick City. The corresponding total in Clare was 349 units.

4.4 Public sector contribution in Limerick and Clare

The next Table presents data on the number of public sector completions across Limerick and Clare over the period 1994-2009, with the data presented in five year periods.

Table 4.4: Public sector completions in Limerick and Clare 1994-2009

	1994-1998	1999-2003	2004-2008	2009		1994-1998	1999-2003	2004-2008	2009
Total Completions									
Limerick City	3,971	5,812	3,373	93	% in City	49%	53%	24%	12%
Limerick County	<u>4,065</u>	<u>5,237</u>	<u>10,602</u>	<u>713</u>	% in Co	<u>51%</u>	<u>47%</u>	<u>76%</u>	<u>88%</u>
Total Limerick	8,036	11,049	13,975	806					
Clare	5,075	7,771	10,411	765					
Total Public Sector Completions									
Limerick City	489	364	269	58	% in City	57%	36%	29%	14%
Limerick County	<u>370</u>	<u>642</u>	<u>650</u>	<u>346</u>	% in Co	<u>43%</u>	<u>64%</u>	<u>71%</u>	<u>86%</u>
Total Limerick	859	1,006	919	404					
Clare	348	425	630	401					
Public as % of Total									
Limerick City	12%	6%	8%	62%					
Limerick County	<u>9%</u>	<u>12%</u>	<u>6%</u>	<u>49%</u>					
Total Limerick	11%	9%	7%	50%					
Clare	7%	5%	6%	52%					

Source: DEHLG, www.environ.ie

The main points to emerge from the Table above are as follows:

- Over the period 1994-2008, the number of public sector completions in Limerick peaked in the five years 1999-2003 (1,006 units), and declined marginally in the following five year period (to 919 units). Over the period 1994-2008 the split between Limerick City and Limerick County reveals that a declining proportion were provided in Limerick City: 57% down to 29%, while Limerick County accounted for an increasing share of the total: 43% up to 71%.
- That trend continued in 2009, albeit the year recorded a substantial increase in absolute terms to 404 units, of which the vast majority (346 or 86%) were in Limerick County, with only 14% (58 units) provided in Limerick City.
- With the population in Limerick split approximately one-third in Limerick City and two-thirds in the County, the proportions for public housebuilding were consistent with the population split until 2003. However since 2004 the City has been providing considerably less than its population share would suggest, while Limerick County has been providing considerably more.
- The overall share of total housebuilding represented by public housing has been around 6% to 8% in the City over the period 1999-2008 and around 6% to 12% in Limerick County. The dramatic slowdown in total housebuilding in 2009 led to these shares rising significantly, with one-half of all building in Limerick represented by public housebuilding units in 2009.
- Up to 2008, the level of public housebuilding in Clare peaked over the five years 2004-2008 (630 units). In 2009 a total of 401 public sector units were built across the county, resulting in 52% of total completions being recorded as public sector units in 2009.

It is important to acknowledge the **public sector housing policy covers a range of targeted supports and various interventions for assisting those who cannot afford to house themselves from their own financial resources.** In 2008, the public sector catered for the needs of 584 households in Limerick City and County through various housing interventions. The corresponding figure for the number of households catered for by the public sector in Clare was 505 in 2008.⁹

4.5 Dwelling by house types

The trend in housebuilding by type is presented in the next Table. The data is shown from 2005 onwards, following the introduction of a new classification scheme by the DEHLG, which classified dwellings between:

- **“Individual Houses”** i.e. where an electricity connection is provided to a separate detached house.
- **“Scheme houses”** i.e. where an electricity connection is provided to two or more detached houses.
- **“Apartments”** i.e. where all customers metering for the block is centrally located.

⁹ See Appendix 3.

Table 4.5: Dwelling completions by Type in Limerick and Clare 2005-2009

	Individual Houses		Scheme Houses		Apartments		Total	
2005								
Limerick City	29	3.0%	296	30.8%	636	66.2%	961	100%
Limerick County	782	35.8%	1,243	57.0%	157	7.2%	2,182	100%
Total Limerick	811	25.8%	1,539	49.0%	793	25.2%	3,143	100%
Total Clare	843	38.8%	1,211	55.7%	120	5.5%	2,174	100%
2006								
Limerick City	17	4.4%	189	48.6%	183	47.0%	389	100%
Limerick County	834	31.8%	1,610	61.4%	180	6.9%	2,624	100%
Total Limerick	851	28.2%	1,799	59.7%	363	12.0%	3,013	100%
Total Clare	866	31.8%	1,615	59.2%	246	9.0%	2,727	100%
2007								
Limerick City	10	3.0%	42	12.6%	282	84.4%	334	100%
Limerick County	656	26.9%	1,671	68.4%	115	4.7%	2,442	100%
Total Limerick	666	24.0%	1,713	61.7%	397	14.3%	2,776	100%
Total Clare	813	35.6%	1,181	51.7%	292	12.8%	2,286	100%
2008								
Limerick City	10	2.7%	92	25.2%	263	72.1%	365	100%
Limerick County	598	38.0%	829	52.7%	145	9.2%	1,572	100%
Total Limerick	608	31.4%	921	47.5%	408	21.1%	1,937	100%
Total Clare	650	46.7%	604	43.4%	139	10.0%	1,393	100%
2009								
Limerick City	8	9.7%	52	63.4%	22	26.8%	82	100%
Limerick County	430	59.3%	214	29.5%	81	11.2%	725	100%
Total Limerick	438	54.3%	266	33.0%	103	12.8%	807	100%
Total Clare	508	66.4%	237	31.0%	20	2.6%	765	100%

Source: www.environ.ie

According to the data by type:

- Individual houses or one-off houses represented between 24% and 28% of total housebuilding in Limerick over the boom years 2005-2007, with the proportion increasing to 31% in 2008 and 54% in 2009, reflecting the decline in other house types. When the data is split out between Limerick City and the County, the vast bulk of one-off units were provided in Limerick County.

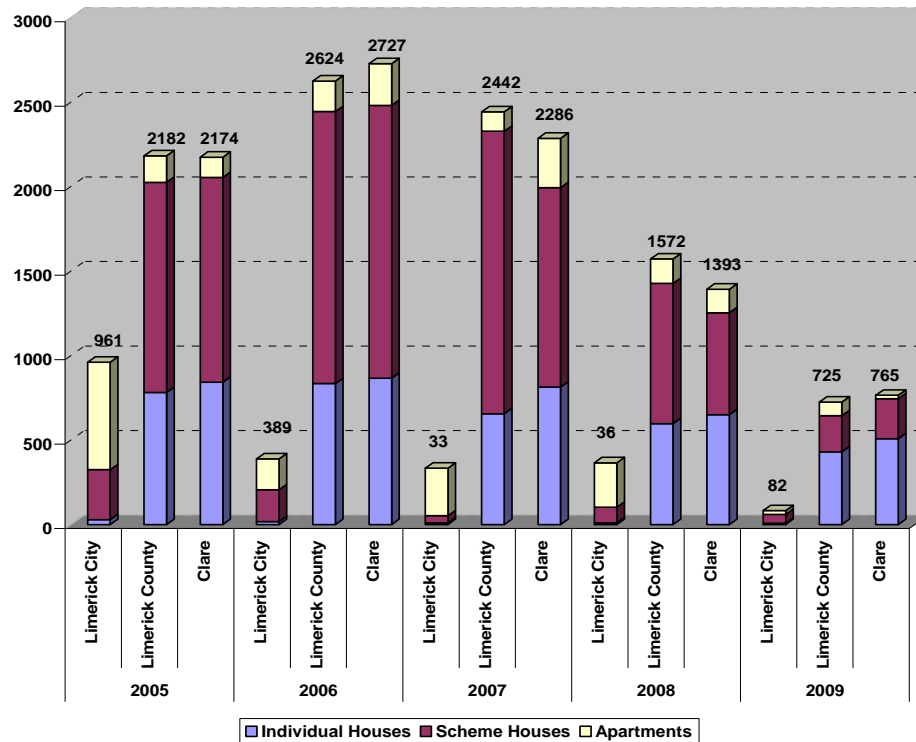
In Clare the number of individual houses was almost 40% in 2005 and reached almost 47% in 2008. Over two-thirds of total completions in Clare were individual houses in 2009.

- The majority of housebuilding in Limerick City is apartments: 66% in 2005; 84% in 2007 and 72% in 2008. Most of the remaining balance tends to be scheme houses. Conversely in Limerick County, apartments accounted for less than 10% of the total until 2009. The proportion of apartments in Clare was between 5.5% and 12.8% over the period 2005 to 2008, but declined to less than 3% in 2009.

- Scheme houses or estate houses represented between 50% and 60% of total housebuilding in Limerick between 2005 and 2008, of which the vast majority (80% to 90%) were built in Limerick County.

The above trends are also illustrated in the next Chart.

Figure 4.3: Total Completions by House Type



4.6 Vacant stock

There is no reliable estimate of the vacant stock of dwellings across Limerick or Clare. However the 2006 Census estimated the **vacant stock** in Limerick at the time at around 9,200 dwellings and 6,187 in Clare¹⁰.

The current national estimate of unsold new houses is around 35,000. In terms of completions per 1,000 of the population since the 2006 Census, Limerick would have been below the national average (36 units versus 43 units)¹¹, implying a lower overhang of property than in other locations which built well in excess of the average. Based on total completions since 2006, Limerick accounted for around 3.5% (City 0.5% and County 3%) of the total built across the State and Clare accounted for 2.8%. Using this proportion suggests that Limerick might account for just 1,225 of the national overhang, which may even be lower given its lower building rates over that

¹⁰ This figure is an estimate for the number of new and second-hand dwellings (houses and flats) which were vacant at the time of the Census (April 2006). The estimated vacancy rate in Limerick City and County was 12.6% compared with 15% across the State as a whole.

¹¹ Review of the Construction Industry 2008 and Outlook 2009-2011, Department of the Environment, Heritage and Local Government, September 2009 (Page 34).

time, and Clare might account for 980 units. Thus a crude estimate of the vacant stock obtained by adding the 2006 vacant stock figure would suggest that an estimated 10,439 units are currently vacant across Limerick and 7,167 in Clare. However, this would exclude second-hand units which became vacant since the 2006 Census¹².

Table 4.6 Vacant Housing Stock in Limerick and Clare, 2006 and estimate for 2009

	Limerick City	Limerick County	Total Limerick	Total Clare
Census 2006	2,913	6,301	9,214	6,187
% of National housebuilding since 2006	0.5%	3.0%	3.5%	2.8%
Apply to vacant stock estimate of 35,000 (per CIF)	175	1,050	1,225	980
Vacant Stock est @ Dec 2009 *	3,088	7,351	10,439	7,167

DKM estimate, based on applying each county's share of the total housebuilding since 2006 to the estimated stock of vacant new homes of 35,000, according to the Construction Industry Federation.

The combined estimate for the stock of vacant units across Limerick and Clare is 17,606. Allowing for a proportion which would normally be vacant, it is likely that approximately 8,000 to 9,000 units of this total would be available for occupancy at any point in time. **A proportion of the vacant stock is expected to meet some of the housing demand over the Strategy period¹³.**

4.7 Zoned Land Resource

Based on the supply of zoned land for residential development in Limerick and Clare there is sufficient suitable zoned land to meet the requirements of the Joint Housing Strategy and to ensure that a scarcity of such land does not occur at any time during the period of the development plans.

The **Draft Limerick City Development Plan** (dated 7th December 2009) identifies the existing undeveloped residential land bank within Limerick City at **172.27 hectares**. This does not include the identified regeneration areas which have a separate policy function in terms of housing provision. Furthermore this figure does not include opportunities for infill or brownfield land utilisation. The Draft Plan also indicates that there is additional capacity in the Docklands for approximately **2,500 units** (the quantum of land available is not identified).

The land resource in the city areas includes a substantial landbank within the three Limerick Regeneration districts. Together these land areas are proposed to accommodate some 4,400 additional houses as well as a replacement social housing stock of some 2,400, although this figure could ultimately fall to 1,500¹⁴.

The land resource for **Limerick City and the Environs** areas is also well located to exploit and to benefit from good bus transport services (existing and proposed). These residential land zonings

¹² Based on the Daft.ie estimated stock of 60,000 vacant second-hand units across the country and applying the same proportion of 3.5%, would imply that there are around 2,100 vacant second-hand dwellings in Limerick City and County. This would generate a total unsold stock of 13,325 dwellings across the county. Applying the same percentage breakdown at the time of the 2006 Census and taking account of completions since April 2006 would imply that approximately 30% of the vacant stock is in the City and 70% is in the County.

¹³ See Section 7.3

¹⁴ See Section 5.

are also within reasonable distance of the major employment hubs of Limerick City and Environs area. Within these areas therefore, no specific order of priority is necessary to give effect to the Housing Strategy.

On the other hand it is noted that the mandate on the spatial distribution of population growth into the Mid-West Region, focuses much of this growth in the Limerick City area. This will also have the likely effect of progressing development of a sizeable component of Limerick City's zoned landbank, in contrast to the Limerick City Environs area within the County Council jurisdiction, where zoned land availability far exceeds the quantum needed to meet mid-term population growth targets. In the remainder of Limerick County, landbank availability is also well in excess of identified population growth estimates, as set out in the Housing Strategy.

Limerick County has some **302** hectares of land available for direct residential development in the Southern Environs and Castletroy part of the county; the remainder of Limerick County contains some **609** hectares of zoned available residential land.

There is some **4259** hectares of land within the overall Clare County zoned for either residential use or 'other settlement' land use. This exceeds considerably the needs of the Housing Strategy.

Table 2.4 of the **Draft Clare County Development Plan** identifies that there are **470 hectares** zoned residential lands within the County (excluding Ennis and Kilrush) as per the Land Availability Returns as of June 2009.

The **Ennis and Environs** Housing Strategy 2008-2014 which forms part of the Development Plan identifies that there are **275 hectares** of residentially zoned lands in Ennis and Environs (source Land Availability Survey Report – 30th June 2007). It is estimated in the Plan that the quantum of residentially zoned lands has the ability to provide 9,625 units (based on an average density of 35 units per hectare). Furthermore the Plan suggests that there are an additional **1,143 hectares** of land zoned as "Other Settlement Land" in Ennis and Environs, which will seek "to conserve and enhance the quality and character of the area to protect residential amenity and allow for redevelopment appropriate to the sustainable growth of the settlement". Section 3.2.5 identifies that there is sufficient zoned land in Ennis and Environs to meet the projected demand for private residential units in the area. There is no land at present to meet the construction requirements of the Local Authorities. It is noted that local authorities are actively seeking to purchase suitable land.

The **Kilrush Development Plan** 2008-2014 identifies that **29.08 hectares** of residential land is zoned within the plan area and in addition **153.57 hectares** is zoned as "Other Settlement Land".

Table 4.7: Overview of Residential Zoned Land in Limerick and Clare (hectares) 2010

LIMERICK CITY	172
Residential land only, excludes Regeneration Areas/Docklands	
LIMERICK COUNTY	911
<i>of which</i>	
City Environs (Southern Environs and Castletroy)	302
Remainder of County	609
CLARE COUNTY	4,259
<i>of which</i>	
Clare County - Residential land (excl Ennis/Kilrush)	470
Clare County - Other settlement land (excl Ennis/Kilrush)	2,189
Ennis and Environs - Residential land	275
Ennis and Environs - Other settlement land	1,143
Kilrush - Residential land	29
Kilrush - Other settlement land	153

Note: not all of this zoned land in Clare is serviced.

Source: All figures are rounded up, and taken from the Draft Limerick City, Draft Limerick County and Draft Clare County Development Plans and the current statutory plans for Ennis T.C. and Kilrush T.C.

Based on the above information there is sufficient and suitable residential zoned land available to provide for the requirement of this housing strategy.

4.8 Implications for the Housing Strategy

- 1) The existing tenure mix sets the starting point for the Housing Strategy, a key objective of which is to begin the transformation of the tenure mix within the Regeneration Areas of Limerick City, and thus within the overall City itself. The tenure composition suggests that an average of 18% of households are renting from the public sector in Limerick City, compared with 8% in both Limerick County and Clare. The Strategy needs to take this into account in deciding the location of new social housing in Limerick and Clare.
- 2) It already seems to be the case since 2004 that Limerick City has been providing considerably less public sector new units than its population share would suggest, while Limerick County has been providing considerably more.
- 3) The Strategy also needs to recognise that the housebuilding rates achieved over the past decade are unlikely to be repeated over the period of the Strategy, implying that other supply mechanisms will need to meet a considerable portion of the housing demand which arises over the next seven years.
- 4) The 'excess' vacant stock estimated in Limerick and Clare will play an important part in addressing housing demand over the period of the Strategy, thus reducing the requirement for new build.

- 5) Based on the supply of zoned land for residential development in Limerick and Clare there is sufficient suitable zoned land in appropriate locations to meet the requirements of the Joint Housing Strategy and to ensure that a scarcity of such land does not occur at any time during the period of the development plans.
- 6) The establishment of NAMA may have an impact on how land is brought to the market and may represent a potential opportunity for the delivery of housing in appropriate locations across Limerick and Clare. This is an important element of the monitoring exercise to be undertaken by the respective local authorities in Limerick and Clare (see Section 8).

5. Regeneration

5.1 Background

The ten year Limerick Regeneration Programme 2009-2018 presents a vision for the widespread social, economic and physical regeneration of four areas in Limerick City:

- ✓ Moyross,
- ✓ Southill,
- ✓ Ballinacurra Weston, and
- ✓ St. Mary's Park, Limerick.

It arose out of the report prepared in November 2006 by a former Dublin City Manager, John Fitzgerald. The Fitzgerald report addressed social exclusion, crime and disorder issues in Moyross and other disadvantaged areas within Limerick City. It acknowledged the acute problems of disadvantage in the Moyross and Southill areas of Limerick at the time:

- 1) Significantly higher than average unemployment rate - five times the national rate at the time - and a long term unemployment problem,
- 2) A high proportion of one-parent families,
- 3) Significant educational disadvantage with educational attainments well below the norm,
- 4) Among the lowest scores in terms of socio-economic status in Limerick City,
- 5) High rates of crime and drug-related crime, and
- 6) A relatively high proportion of social housing had been constructed in these areas over time, albeit many have been purchased over time through the Tenant Purchase Scheme.

There is no doubt that taking various indicators of social deprivation¹⁵, Limerick City is the most disadvantaged local authority area in the Mid-West region and the second most disadvantaged in the country as a whole (after Donegal). The measure takes into account a number of the variables mentioned above, including incomes, educational attainment, unemployment and the lone parent ratio as well as the proportion of households in local authority housing – around 32% based on the estimate derived in Section 4. While the latter may have reduced in Limerick City due to the increase in the number of sales under the various tenant purchase schemes, the social status of some estates in Limerick City remains very disadvantaged.

The Fitzgerald Report set out three strands for achieving progress and dealing with the exceptional problems in disadvantaged areas: intensive police intervention, the economic and infrastructural regeneration of the areas and a co-ordinated response to social and educational disadvantage. The recommendations of the Fitzgerald Report led to the establishment of the Limerick Regeneration Agencies (for the Northside and Southside of Limerick City) in June 2007.

¹⁵ Based on the Deprivation Index developed by Haase, Y & Pratschke, J. (2008) New Measures of Deprivation for the Republic of Ireland, Dublin: Pobal. The same research concluded that County Limerick is the most affluent local authority area in the Mid West region and the eighth most affluent county in Ireland.

5.2 The Regeneration Challenge - a multi-faceted approach required

The four regeneration areas form a substantial part of the overall area available to Limerick City for development and thus play a key role in determining the location of housing supply within Limerick City over the period of the Strategy.

The relevance of the Regeneration Programme for the Housing Strategy is firmly centred on the achievement of a material change in the tenure mix, as well as the wider social and economic regeneration of the areas, and thus redress the social balance in these parts of Limerick. In addition, the absolute increase in population, which the Regeneration Programme will deliver, is important to improving the viability and range of services for these areas and for the wider city area.

However a change in tenure, while it reduces the proportion of persons classified as renting from the local authority, does not necessarily result in a change in social status. As a result the adverse impact of the current situation in Limerick City, is felt not just within the areas themselves, but also more broadly in the perception of the housing stock, and social context of the city overall.

It is evident within the regeneration areas, that the advantages from tenant purchase, which can be seen more clearly in other locations throughout the country, do not appear to have manifested here. This can be related to issues around management of the remaining stock, public realm issues, the limited range of services and facilities, but also the specifics of social deprivation and crime for these areas. However it is also worth recognising that the deflated market prices of such areas has made tenant purchase possible for households on the lowest incomes, without regard to the real capacity of the households to manage such properties, and as a consequence has not delivered the same social mobility as in other areas. In this regard the challenge of full social improvement within these areas is much more a multi-faceted one than in other locations where the availability of a more stable social cohesion, alongside services etc., allowed the change in tenure mix to work more effectively. The broad overview as set out in the Regeneration Programme clearly focuses on these particular dynamics. The role of the Housing Strategy is therefore but one constituent element only of a series of social, economic and environmental imperatives for these areas.

The challenge set for the Regeneration Programme is one of transforming the areas into the most vibrant and sustainable towns/urban areas/suburbs in Ireland. The aim, from an economic perspective, is to see that

“... the areas cease to be areas of deprivation and that their socio-economic profile gradually moves from being close to the bottom of the national league to being at or above the national average, i.e. in terms of living standards, education levels, participation in employment, crime levels etc.”.

It is important to acknowledge that in the two and a half years of operation the Limerick Regeneration Agencies have overseen an investment of some €51 million which has delivered significant community stabilisation and has set out the overall vision for regeneration. This vision outlined in the Limerick Regeneration Programme was unveiled in October 2008 and endorsed by Government in December 2009. Government further requested that all relevant Departments and Agencies complete the remaining work required to finalise the detail of the

first phase of the programme by the end of Q1 2010, at which stage the proposals would be considered by Government.

The Boards of Directors of the Limerick Regeneration Agencies considered the detailed plans for phase one of the Regeneration Programme on Wednesday, 7 April 2010 and a formal submission on the plans has been made to the DEHLG. These plans are currently under consideration by the Department and are expected to be brought to Government for decision in May 2010.

It is envisaged that Phase one will cover the period 2010 to 2014 and will involve a number of new housing and infrastructural projects as well as providing for the renewal of some existing housing estates. The costs envisaged for the first phase, and indeed for subsequent phases have been substantially revised in this new plan, having regard to the current value in the construction market and the development of concrete project proposals out of the original vision.

The Strategy, in determining the demand for/supply of housing over the period to 2017 (Section 7), has made certain assumptions about the likely private housing output under the regeneration programme. However the current challenging housing market climate must be acknowledged as presenting a significant risk to the delivery of new sustainable communities in these areas.

5.3 The Role in Counteracting Social Segregation

The Limerick Regeneration Programme presents a broad vision for the transformation of the Regeneration Areas. The plan is based on the three key 'Pillars' of

- Social Regeneration,
- Economic Regeneration, and
- Physical Regeneration.

The Programme of the Agencies is now to implement a fifteen year strategy for the transformation of the Regeneration Areas. At the heart of the Regeneration Strategy is a proposal to:

- ✓ Demolish and/or refurbish the existing housing in the identified areas (originally c. 3,000 houses including derelict units – this figure is now reduced to approximately 2,200 as a consequence of relocation, demolition and boarded up units) with some 2,000 new homes for existing families from the area who wish to remain. The replacement number may ultimately fall further to 1,500, due to units being demolished and to some existing households moving elsewhere.
- ✓ Ensure that all additional housing beyond this replacement level is private housing offered for sale.

It is worth noting that the recent demolition and retention analyses commissioned by the Regeneration Agencies has already had an impact on these projections with units originally identified for demolition now being proposed for refurbishment. It is likely that as this flexible programme is delivered that further such changes will arise as the Agencies strive to meet their housing and sustainable communities' objectives.

5.3.1 Private Housing

The importance of delivering significant numbers of new private housing units under the regeneration programme cannot be underestimated if the regeneration is to successfully build new sustainable communities. At present, under the 2008 programme vision, the estimate of total new private housing (i.e. additional to the replacement housing) within the Regeneration areas is put at some 4,400 homes, which based on an average household size of around 2.5, would imply around 11,000 persons. This is a significant number to be introduced into Limerick City, which overall has around 21,000 households. The Masterplans acknowledge the likely slow pace (at the earlier stages at least) of private demand in these areas. Thus in the current economic environment and given recent developments, it would be prudent to plan for a lower figure over the period of the Housing Strategy.

In Section 7, which considers the future demand and supply for housing, it is assumed that the number of new private housing units supplied in the Regeneration Areas is 2,000, which is equivalent to around 5,000 persons. To illustrate this scale of intervention, this figure can be considered by reference to the estimate of new household formation within Limerick City area for the period 2010-2017 of 4,203 households projected in the Housing Strategy (Appendix 5). Thus the Regeneration Areas are assumed to meet 48% of the growth in new households in Limerick City over the period of the Strategy.

5.3.2 Rebalancing the tenure mix

At present, around **52% of dwellings in the Regeneration areas are owner occupied or in private ownership, although the stability of this tenure type is somewhat problematic,** (compared with 63% in Limerick City and 78% in Limerick County as per the 2006 Census). The Regeneration Programme aims to change the mix during the course of the Regeneration Programme implementation, ultimately to provide the following split:

- 20% Social/rented
- 80% Private ownership

Despite the current economic and housing market climate this proportional split remains the programme's aspiration. The **Draft Limerick City Development Plan** also confirms that within the regeneration housing estates, over 52% of householders own their homes, while 48% are renting from the Local Authority (compared with 18% in Limerick City and 8% in Limerick County). The Draft City Plan restates the above objective of seeking a 20:80 split in the final housing mix between social/rented and private ownership, although recent developments now suggest these targets are not achievable within the original timeframe.

With regard to the Housing Strategy it is important to note that the Regeneration programme will generally not contribute new social housing stock, but will have a clear imperative in counteracting undue social segregation. The success of the latter will depend on the extent of progress with respect to the planned private housing investment. For the purposes of the Housing Strategy, the Regeneration Programme is assumed to deliver less than its planned target, due to the anticipated state of the housing market over the next few years. However if it succeeds in meeting even the reduced target assumed over the Strategy period (i.e. 2,000 private units), it will secure a proportion of the new private/affordable housing stock provided within those parts of Limerick City. This will play a significant role in beginning the process of counteracting undue social segregation, rebalancing of the tenure mix and increasing absolute population levels within the regeneration areas and across the overall City.

Targeted economic and land use policies will need to be put in place to ensure that new private investment in the Regeneration Areas commences during the period of the Strategy, notwithstanding the delays in the Programme.

In the absence of capturing the private investment, albeit at the lower level of 2,000 units, there is a risk that no private housing is achieved in the Regeneration Areas over the Strategy period, in which case the demand for housing will not be accommodated in Limerick City or may have to be accommodated elsewhere such as in other parts of the Limerick/Shannon Gateway, if the population targets set for the Gateway are to be achieved. This would imply that the population targets set for Limerick City and thus the Gateway would not be met.

A demand for housing within the Regeneration areas may also come from family members (children, grandchildren) of existing households in the future, particularly as the social and physical fabric within these areas sees progressive improvements under the Regeneration Programme. Within the new build there may also be scope for the development of some special needs accommodation, for disabled persons and elderly persons. The situation will require ongoing monitoring and flexibility within a policy context.

5.4 Facing the Challenge of Change: A Spatial Perspective on Limerick

A study published in October 2009 on behalf of Limerick City Council by the Department of Geography, University of Limerick entitled *"Facing the Challenge of Change: A Spatial Perspective on Limerick"* provides an important perspective on the situation. With regard to social housing, the study records that

'..in total just under 9 per cent of households in the urban area [Limerick City and environs] are local authority tenants, but with a significantly higher percentage (13 per cent) in the City area. This is considerably above the State average, where 7 per cent of households are renting from a local authority'.

The Study continues that *'a community-orientated housing policy and the pursuit of integrated neighbourhoods have to be central tenets of any meaningful attempt to tackle disadvantage in Limerick'.*

This is a useful reminder of the delicate balance required in ensuring that the Joint Housing Strategy plays its role in resolving current social deprivation issues.

5.5 New Housing Supply within Regeneration Areas

The Physical programme forms an important framework for the redevelopment process and sets out parameters for each of the areas separately in terms of:

The location, amount and density of housing

The alignment and key dimensions of streets and the size of public spaces

The location and quality of key uses and amenities

Design guidance for buildings and public realm

Sustainability standards to be achieved for buildings, infrastructure and public spaces

The Regeneration Programme states that in general it will not be necessary to relocate residents as houses will initially be constructed followed by rehousing and demolition. Recent developments indicate that the demolition of 3,000 homes and their replacement with between 1,500 and 2,000 new units may now be revised as the draft proposal suggests that existing properties may be refurbished instead.

The Regeneration Programme envisages that the overall principles of the programme will become enshrined in the Limerick City and Limerick County Development Plans.

In this regard the Limerick City Draft Development Plan 2010-2016, records support for the implementation of the Regeneration Programme in a co-ordinated and sustainable manner. Under the Draft Plan, the City Council also confirms its intention

'..to co-operate with the Regeneration Agencies and the other agencies in the Region to deliver the goals and objectives set out in the Regeneration Programme'.

It also adds that the Masterplans prepared to date, should be reviewed to take account of identified strategic documents, including this Housing Strategy. The Draft City Plan also determines that

'..given the changing economic situation it is essential that the issue of phasing in broad terms be addressed'.

Recent development regarding the revised timeline and the new draft proposals suggest that these issues are being addressed.

Support for the implementation of the Regeneration Programme is also articulated in the Limerick County and Clare County Draft Development Plans.

5.6 Implications for the Housing Strategy

The Regeneration Programme is of central importance to the delivery of a better managed and distributed housing sector throughout the area of the Housing Strategy. It is also critical to the success of the Gateway, particularly in terms of redirecting population growth into the city area.

The main implications for the Housing Strategy are as follows:

- 1) It is now acknowledged that the changed economic circumstances will have a material bearing on the delivery of the programme, particularly in terms of delivering on the necessary private investment. Thus while the Housing Strategy assumes that less private investment will come forward, it still expects that 2,000 new private dwellings (approximately 5,000 persons) to be provided in the Regeneration areas by 2017, with the balance of 2,200 to be provided post 2017. This will help drive the population targets for Limerick City which, as projected, is expected to account for 45% of the household growth in the Limerick/Shannon Gateway.

- 2) In contrast the regeneration areas will not deliver any new social housing stock for the City's or Region's needs. This provides the opportunity to realign the tenure mix for the regeneration estates directly. This will constitute a material benefit to the Gateway and the Region also, by means of counteracting current social segregation within Limerick City's jurisdictional area.
- 3) Concurrently, the proportion of direct social housing delivery within Limerick City will reduce and progressively align more closely to national trends. This will be strongly assisted by the direct new private housing interventions of the Regeneration Programme and a lesser Part V ratio (maximum of 15%) for other parts of Limerick City area, compared to County Limerick and County Clare (maximum of 20% - Section 7).
- 4) In this regard it is worth reiterating the point noted in the Regional Guidelines for the Mid-West that the population targets and the distribution of population (and consequently private housing) can only occur if the necessary policies to support social and economic developments in the various areas are pursued by the relevant authorities. In this regard the Limerick City Draft Development Plan 2010 -2015 states that

'..the delivery of a much stronger social mix is paramount to the success and sustainability of the new housing estates in the Regeneration Areas. Such a mix has to be greater than just mixed tenure, it is essential that over the period of the Plan that these areas achieve a population that has a greater level of income than at present'.

Support for the implementation of the Regeneration Programme is also articulated in the Limerick County and Clare County Draft Development Plans.

- 5) It is important to reiterate that the role of the Housing Strategy is therefore but one constituent element only of a series of social, economic and environmental imperatives for these areas, all of which are required to deliver on the core objectives of the Regeneration Programme.
- 6) The key downside risk for the Regeneration Programme is that due to a prolonged weak housing market, no new private investment in housing is delivered and thus new residents are not attracted to the areas, resulting in little or no change in the social mix or in the image of the area. Thus the population growth would not materialise and the MWRA population targets for the City and the Gateway would not be achieved. This would represent a missed opportunity to achieve a rebalancing of the City. The Regeneration Programme, even allowing for delays in the timeframe, must achieve a fundamental rebalancing of the social deprivation status of the Regeneration areas in a sustainable manner. This is, in essence, the core objective of the Regeneration Programme.
- 7) Similar to other housing delivery mechanisms, such as Part V, the leasing initiative etc., there is therefore a need to monitor and update assumptions on the roll out of the Regeneration Programme, throughout the life of this Housing Strategy and to be prepared for possible reassessment of delivery targets, as the programme progresses and the economy recovers.

6. Social and Affordable Housing

This section provides information on social and affordable housing which is important for projecting the requirements for housing over the period of the Housing Strategy.¹⁶ In particular, the current backlog of social and affordable housing at the end of 2009 will remain to be accommodated over the period of the Strategy, as well as demand arising from new household formation. These issues are addressed in Section 7. This section is set out as follows:

It begins by acknowledging the move towards a more flexible approach to meeting social housing needs over the period of the Strategy as the opportunities for new build are constrained by the public finances.

- a) It provides information on the scale of the social housing backlog in terms of the most up to date assessments of social housing need across the respective local authorities.
- b) It set out information on the projected social housing supply across the respective local authorities in terms of new build and acquisitions planned over the period of the Strategy.
- c) It provides a review of the categories of specific need in the individual housing assessments together with a review of the future provision as outlined in various programmes.
- d) In regard to affordable housing, it reviews the future provision of affordable housing in the Limerick/Shannon Gateway and across Clare and Limerick and derives an estimate of the requirement for affordable (and social) housing, based on the projected growth in population and households over the period of the housing strategy and based on an assessment of house prices and incomes. The model Housing Strategy is used to ascertain the proportion of new households expected to experience affordability problems over the strategy period.

6.1 Social Housing Provision

The provision of decent housing for all has long been a central aim of public policy and was given expression in a range of the policy documents:

- ✓ A Plan for Social Housing (1991),
- ✓ Social Housing: The Way Ahead (1995),
- ✓ Delivering Homes and Sustaining Communities (2007),
- ✓ Towards 2016, and the
- ✓ National Development Plan 2007-2013.

The last comprehensive statement on Government housing policy set out in the Sustainable Communities document (2007) calls for a more flexible response to the delivery of housing need. The focus on social housing provision is moving away from just the provision of new build to a

¹⁶ A considerable amount of background information was collected and collated for the first time from the constituent housing authorities for Limerick and Clare. Consequently this section should be read in conjunction with Appendix 3 which contains supplementary information.

more flexible approach which involves a range of alternative options for meeting social housing need. These include the following:

- The Rent Supplement Scheme (RSS) for short-term accommodation emergencies (currently circa 92,000 nationally in receipt of RSS and growing). The Rent Supplement is paid to people living in private rented accommodation who cannot provide for the cost of their accommodation from their own resources, and is subject to certain eligibility requirements. Nationally the numbers on RSS have increased by around 30,000 over the last two years.

The number of persons in receipt of RS is reported to be increasing strongly across Limerick and Clare, due to the increase in unemployment during the recession. There are an estimated 2,171 people in receipt of Rent Supplement in Limerick City while this figure is approximately 1,500 in Limerick County. There are 1,986 persons availing of Rent Supplement in Clare implying that in total, approximately 5,657 persons are availing of Rent Supplement across both counties.

- The Rental Accommodation Scheme (RAS) was introduced in July 2004 for persons who are in receipt of RSS for more than eighteen months (currently catering for circa 20,000 nationally). The RAS involves local authorities sourcing accommodation for these households by making use of the private and voluntary sector and entering into contractual arrangements to secure medium to long-term availability of rented accommodation. There are approximately 9,000 landlords nationally registered under the RAS.

RAS is a collaborative project between the DEHLG, local authorities, the Department of Social Protection and the Health Service Executive Community Welfare Service.

The numbers awaiting transfer to RAS is reported to be increasing strongly across Limerick and Clare, due to the increase in unemployment during the recession. There are an estimated 950 persons currently awaiting transfer to RAS across Limerick (500 in Limerick City and 450 in Limerick County) while there are 547 persons awaiting transfer in Clare.

- The new DEHLG Leasing Initiative (€20 million plan announced in February 2009) which involves local authorities and/or voluntary housing associations leasing approximately 2,000 units from property owners for a period of between 10 and 20 years. Submissions from private property owners are currently being assessed by local authorities. The intention is that properties will be tenanted, managed and maintained by the local authority/voluntary housing association with rent guaranteed for the whole lease period.

This new initiative represents an expansion of the options available to local authorities for the delivery of social housing. Properties will be leased from the private sector and used to accommodate households from local authority waiting lists. Leased properties will be allocated to tenants, in accordance with the local authorities' allocations schemes. It is envisaged that leasing will, over the coming years, become an integral part of the social housing programme.

An important point in regard to the Leasing Initiative is that proposals will be evaluated by local authorities with a view to ensuring that the overall social mix of a development is not adversely impacted.

- Local authorities purchasing units in the private market.

- Local authorities constructing new units funded out of their public capital programme provisions.
- The provision of rented accommodation in units owned or leased by the voluntary and co-operative sector.
- The provision of rented accommodation in property owned or leased by the local authority which they have built, procured or acquired through Part V arrangements.
- Voluntary and Co-operative housing, supported by local authorities and the Department of Environment, Heritage and Local Government, which has relied on significant financial assistance from Central Government to date. Housing is delivered under two separate schemes which provide social rented accommodation: the Capital Assistance Scheme, whereby voluntary housing bodies provide accommodation to meet special housing needs such as those of the elderly, people with a disability, homeless, returning emigrants or smaller families; and the Capital Loan and Subsidy Scheme, whereby voluntary housing bodies provide housing for renting, particularly to meet the needs of low-income families.

Voluntary housing bodies/housing associations make a significant contribution to social housing needs across Limerick and Clare. However, like the housing authorities, they are subject to the financial constraints on capital budgets. A recent report¹⁷ commissioned by the DEHLG recognised that the traditional approach to social housing delivery, based on 100% capital funding by the State, is no longer sustainable. The report recommends a shift in emphasis from financing new build through capital funding to a revenue funding model which would support market based delivery mechanisms, largely built around the long-term leasing of properties, as per the Leasing Initiative.

As a result, the new approach to social housing delivery (i.e. leasing) has been extended to the voluntary and co-operative housing sectors. Approved housing bodies are being encouraged to source and lease properties from developers, subject to agreed conditions. Where appropriate the intention is that voluntary bodies will enter into availability agreements with local authorities for the provision of the properties for social renting for a period of at least 20 years, thus providing them with a guaranteed revenue stream.

The DEHLG has also extended the leasing initiative to cover 1) approved housing bodies using unsold affordable homes (for which local authorities have signed agreements) for social housing purposes by leasing them from housing authorities, and 2) second-hand properties.

The participating local authorities in both Limerick and Clare will meet their housing provisions over the period of the Joint Housing Strategy (2010-2017) from a combination of the above.

The construction of new units is likely to be confined, at least in the early years of the strategy period, to the provision of new housing units for special needs groups, the provision of housing in rural areas and for commitments entered into under Part V. Other schemes will most likely continue to operate, notably those aimed at facilitating home ownership such as Shared

¹⁷ Strategic Review of the Capital Funding Schemes for Voluntary and Co-operative Housing, Grant Thornton and Fitzpatrick Associates, September 2009.

Ownership, the Mortgage Allowance scheme and the Home Choice Loan scheme for first time buyers.

6.2 Social Housing Needs Assessment

The preliminary results from the last national Local Authority Housing Needs Assessment as of March 2008 were released in December 2008 with the overall results indicating that just over 56,000 households were in need of social housing support nationwide, compared with almost 43,000 in 2005, an increase of 31%.

The trends in the numbers on the social housing lists in Limerick are shown below, together with up to date information received for 2009.

Table 6.1 Assessment of social housing need across Clare and Limerick

	2005 Assessment	2008 Assessment	2009 Assessment	% change 2009/2005
Clare County Council	632	879	1,300	105.7%
Ennis Town	387	660	771	99.2%
Kilrush Town	62	51	77	24.1%
Total Clare	1,081	1,590	2,148	98.7%
Limerick City	845	1,724	2,600	207.7%
Limerick County	609	1,035	1,224	101.0%
Total Limerick	1,454	2,759	3,824	163.0%
State Total	42,946	56,249	N/A	31.0%*

* Refers to 2008/2005 change as figure for 2009 is not available.

Source: Housing Needs Assessment March 2008 and 2009 estimates from the Limerick/Clare Local Authorities.

More detailed information was received from Limerick County Council in regard to their assessment of housing need in March 2008 and 2009.

Table 6.2 Assessment of housing need in Limerick County Council area

Limerick County	@ 31/3/2008	@31/3/2009
1. Nr. of hhs whose need was examined	1,488	1,557
2. Nr. of hhs considered eligible	1,124	1,327
3. Nr of hhs in unfit/ overcrowded accommodation/RAS	23	53
4. Total (2 minus 3)	1,101	1,274
5. Nr. more appropriately met by other means	66	50
6. Total assessment	1,035	1,224

Source: Limerick County Council.

The total number of people on **the housing list in Limerick County Council was 1,224 in 2009**, almost twice the figure recorded in March 2005.

Limerick City Council has indicated that the housing list had increased to 2,600 as of 16th July 2009 from 1,724 in March 2008. As of March 2010, the City Council had 2,868 applicants on its housing waiting list. Of this figure, 16% have an income of less than €10,000, while 66% have an income of €10,000-€15,000. Just over 90% of applicants with income less than €10,000 rely on social welfare as their primary source of income while 95% of applicants with income of €10,000-€15,000 rely on social welfare as their primary source of income. Of the 2,868 applicants, 11%

are employed, while 6% rely on a combination of social welfare as their primary source of income.

The numbers on the social housing lists in Clare as of March 2008, together with up to date information received for March 2009, are shown below.

Table 6.3 Assessment of housing need in Clare Local Authorities

Clare County	@ 31/3/2008	@31/3/2009
1. Nr. of hhs whose need was examined	1,963	1,440
2. Nr. of hhs considered eligible	1,378	1,397
3. Nr of hhs in unfit/ overcrowded accommodation/RAS	58	31
4. Total (2 minus 3)	1,320	1,366
5. Nr. more appropriately met by other means	441	66
6. Total assessment	879	1,300
Ennis		
1. Nr. of hhs whose need was examined	994	864
2. Nr. of hhs considered eligible	765	864
3. Nr of hhs in unfit/ overcrowded accommodation/RAS	104	93
4. Total (2 minus 3)	661	771
5. Nr. more appropriately met by other means	1	0
6. Total assessment	660	771
Kilrush		
1. Nr. of hhs whose need was examined		
2. Nr. of hhs considered eligible	68	92
3. Nr of hhs in unfit/ overcrowded accommodation/RAS	11	11
4. Total (2 minus 3)	57	81
5. Nr. more appropriately met by other means	6	4
6. Total assessment	51	77

Note: The total assessment in Clare of 2,148 in March 2009, which excluding an estimated 1,053 on Rent Supplement (641 Clare County/405 Ennis/7 Kilrush) suggests a need of 1,095 households.

Source: Clare Local Authorities County.

The above tables indicate that the **current housing waiting list in the whole of Clare had increased to 2,148 as of end March 2009 from 1,590 twelve months earlier.**

This problem is further compounded by the reduced capital provisions for each local authority which are now likely given the substantial reduction in the multi-annual capital programme over the period 2010 to 2013. Estimates received from the Department of Finance show that the provision for the DEHLG is projected to fall from €1.8bn in 2009 to €1.51bn in 2010¹⁸ with further reductions likely beyond 2010. These reduced capital provisions reinforce the more flexible approach to the provision of housing supply outlined above.

The capital provision for 2009 included almost €200 million which was made available to improve the stock of social housing, around half of which was to be used to fund regeneration projects in Limerick and other cities and towns. However, due to the fiscal situation, the public funding provision committed to regeneration in Limerick has now been reduced further (as outlined in Section 5).

¹⁸ Budget 2010, Department of Finance.

6.3 Social Housing Proposals

Both local authorities provided indicative estimates of their projected supply levels (including new build/acquisitions) over the Strategy period to 2017 and these are set out in Section 7.

Limerick

Limerick City Council estimates, having regard to its current capital allocation and projected building programme, that it will provide approximately **30 newly constructed dwellings in the period 2010-2012 and acquire 64 dwellings in the same period. The voluntary housing sector is expected to provide 30 new units** in total over the same period (i.e. 10 per annum).

Limerick County Council expects to **provide just 27 new units in 2010 with no new build planned for the following three years. An estimated 75 acquisitions are planned over the period 2010-2012. A total of 86 new units are expected from the voluntary housing sector** over the same period.

Clare

Clare County Council estimate that they will provide **18 newly constructed social housing units within their administrative area of Clare during 2010-2012**, while they expect to **acquire an additional 10 units** over the same 3 year period, subject to the continuance of funding from the DEHLG. In addition, Clare County Council has also proposed **approximately 46 units of voluntary housing over that period.**

At present, Ennis Town Council estimates that it will provide **no new social units and 5 acquisitions** in their jurisdiction over the course of the Strategy. Kilrush Town Council does not expect any new social units to be built over the course of the Strategy but it does envisage **a total of 10 social acquisitions.**

6.4 Categories of Specific Need

Each Local Authority is required under Section 9 of the Housing Act, 1988 to carry out an Assessment of Housing Need every three years for the provision of suitable accommodation for a whole range of categories. A detailed analysis of the housing needs assessment in respect of the participating Housing Authorities is set out in the next Table.

Table 6.4 Categories of Specific Need - Clare and Limerick

Category of Household	Clare CoCo. (Mar'08)	Ennis T.C. (Mar'08)	Kilrush T.C. (Mar'08)	Total Clare	Limerick City (Oct'09)	Limerick County (Jun'09)	Total Limerick
Disabled	23	0	6	29	33	68	101
Elderly	135	11	6	152	157	28	185
Young persons leaving institutional care	0	8	1	9	0	7	7
Financial*	602	427	25	1,054	1,364	676	2,040
Homeless	9	4	1	14	213	59	272
Medical or Compassion	333	135	7	475	56	219	275
Overcrowded	90	20	6	116	185	112	297
Sharing	87	24	11	122	582	68	650
Travellers	27	34	-	61	28	46	74
Unfit	72	8	5	85	18	80	98
Total	1,378	671	68	2,117	2,636	1,363	3,999

Source: Clare Local Authorities: Clare County Council, Ennis Town Council, Kilrush Town Council. Limerick Local Authorities: Limerick City Council and Limerick County Council.

*Persons not reasonably able to meet the cost of accommodation they are occupying or to obtain suitable alternative accommodation

Note: Households can appear against more than one category if they qualify.

6.4.1 The Elderly

The latest Assessment of Housing Need (30th June 2009) for **Limerick County** revealed that **28 elderly persons** were in need of housing accommodation in their administrative area. The corresponding figure for **Limerick City** (October 2009) was **128 persons**.

Clare County Council found in their latest Assessment of Housing Need (March 2008) that there were **135 elderly persons** in need of housing accommodation within their jurisdiction. **Ennis Town Council's** Housing Needs Assessment (March 2008) found that there were just **11 persons** that fell into this category while **Kilrush Town Council** found that there were **6 persons** in such need.

One of the requirements specified under the Planning and Development Act, 2000 is that the Housing Strategy shall ensure that a mixture of house types and sizes is provided to satisfy the requirements of various categories of households, including the special requirements of elderly persons and persons with disabilities. The voluntary sector in Limerick and Clare to a lesser extent has played a key role in providing accommodation units for the elderly and people with disabilities.

It will be important that the new approach to social housing delivery ensures that a proportion of the funding that is available as well as the properties that come forward under the alternative supply mechanisms are directed at priority areas, including special needs housing for the elderly, the homeless and those with a disability, and the upgrading and adaptation of the homes of older people and people with a disability.

The increased provision of elderly housing in close proximity to community facilities must be encouraged, in both Limerick and Clare, with the ultimate aim of minimising social segregation.

6.4.2 The Travelling Community

The Minister has, under section 6(1) of the 1998 Act, directed that relevant Housing Authorities make an assessment of the needs for sites in the functional areas concerned. The Minister has given a direction under section 6(5) of the 1998 Act, specifying that relevant housing authorities shall make an estimate of the projected accommodation needs of Traveller families arising over the duration of the programme.

Both Limerick City and County Council are committed to providing quality services to all citizens of the county. The provision of Traveller Accommodation and associated support services forms a central part of their Housing Services Programme. In preparing the respective Traveller Accommodation Programmes for 2009-2013, both local authorities undertook an extensive consultation process with all stakeholders.

With regard to Traveller accommodation provision in Clare, it is the responsibility of Clare County Council to prepare, adopt and implement a Traveller Accommodation Programme for the entire county. Thus, accommodation for the travelling community in the administrative area of Kilrush/Ennis Town Council is governed by Clare County Council. The Clare County Planning Authority recognises the specific requirements of the travelling community regarding the provision of accommodation and other facilities.

Travellers are availing of all types of accommodation options within Limerick City/County and Clare including standard housing, shared ownership, RAS, private rented and private provision. This section provides details of plans contained in the respective Traveller Accommodation Programmes in Limerick and Clare and details progress made from previous programmes.

The most recent Accommodation Programme in **Limerick City** (*Limerick City Council Traveller Accommodation Programme 2009-2013*) has projected an increase in the overall need for Traveller accommodation. The overall target for the traveller accommodation programme over the timeframe of the programme is **35 units**.

Table 6.5 Annual Targets for Limerick City's Traveller Accommodation Programme 2009-2013

Type	Number of units				
	2009	2010	2011	2012	2013
Group Housing	3	3	6	7	8
House Purchases	0	2	2	2	2
Total	3	5	8	9	10

Source: Limerick City Traveller Accommodation Programme 2009-2013

Limerick City's Traveller Accommodation Programme 2009-2013 identified 51 Traveller children who are between the ages of 13 and 17 and will have reached or exceeded the age of 18 years by 2013 and consequently may be of marriageable age during the lifetime of the Programme. At present all those identified are currently residing with their parents in Traveller specific accommodation or along the roadside.

Limerick City Council will work on the assumption that approximately 50% of this number (51) are likely to seek accommodation during the lifetime of the programme, implying a provision for 25 household units. This equates to a target of 5 families being offered permanent accommodation each year during the period of the programme, based on future accommodation needs.

Limerick County Council acknowledges the preference of some families for Housing accommodation and others for Halting Site accommodation and where feasible and possible will provide such accommodation. According to the most recent assessment (*Limerick County Council Traveller Accommodation Programme 2009-2013*) **65 Traveller families** will be provided with permanent accommodation over the period of the programme. The **target of 13 families will be offered permanent accommodation each year** during the period of the plan.

In summary, the total number of families that will be offered permanent accommodation each year to 2013 is **20 families per year** (7 in City and 13 in County). Such targets are based on current and projected need and the fact that applicants are on average on a waiting list two years or more before being provided with permanent accommodation. As the Housing Strategy extends beyond 2013 to 2017, this target of 20 families per year will need to be increased from 2014-2017 in order to accommodate for the ever increasing demand for traveller accommodation.

From the above analysis, and assuming that 25 families per year will be offered permanent accommodation in Limerick from 2014-2017, it is estimated that approximately **200 traveller families**¹⁹ will be provided with permanent accommodation over the course of the Housing Strategy. The current programmes should be read as a continuation of the previous Traveller Accommodation Programmes, building on the success already achieved. Essentially, the commitment to providing quality services to all citizens of the county should be continued in a coordinated and comprehensive manner.

Clare County Council Traveller Accommodation Programme 2009-2013

The most recent Traveller Accommodation Programme carried out by Clare County projected that **81 traveller families** were assessed as being in need of traveller accommodation across the entire county.

Recent surveys carried out by Clare County indicate that Travellers are located within three main centres in the County: Ennis, Ennistymon and Shannon, while surveys carried out have reflected Travellers' desire for accommodation to be provided in Ennis, Ennistymon, Shannon and their respective environs.

Table 6.6 Clare - Families in need of Permanent Accommodation 2009-2013

Location	No. of Families
Ennis & Environs	59
Kilrush	0
Ennistymon & Environs	13
Shannon & Environs	8
Scarriff & Killaloe	1
Total	81

Source: Clare County Council Traveller Accommodation Programme 2009-2013.

Taking into account the age profile of existing Travellers and the rate of new family formations in Clare, it is projected that an additional 35 families (7 per year) will require accommodation. Thus

¹⁹ This includes 100 families (i.e. 20 per year) accommodated between 2010 and 2013 and a further 100 (i.e. 25 per year) families accommodated between 2014 and 2017.

the total projected figure required to accommodate the 81 families assessed as being in need and the projected need from new family formations (35 in total) is 116, distributed as follows:

Table 6.7 Projected Accommodation Required in Clare 2009-2013

Location	Standard Local Authority Housing	Group Housing	Voluntary/ RAS/Affordable /Shared Ownership	Total
Ennis & Environs	30	24	5	59
Shannon	7	0	1	8
Ennistymon & Environs	1	12	0	13
Kilrush Area	0	0	0	0
Scarriff & Killaloe	1	0	0	1
Sub Total	39	36	6	81
Projected New Families Units				
Ennis & Environs	24	0	2	26
Ennistymon & Environs	5	0	0	5
Shannon	2	0	1	3
Scarriff & Killaloe	1	0	0	1
Sub Total	32	0	3	35
Total	71	36	9	116

Source: Clare County Council Traveller Accommodation Programme 2009-2013.

So there is accommodation required for 81 families assessed as being in need as well as the projected new 35 family formations. However, as outlined in Table 6.8 below, there is a target of just 84 families to be provided with accommodation over the period of the programme and as such it is expected that the remaining families will be accommodated in private rented accommodation.

Table 6.8 Accommodation Required 2009-2013

	2009	2010	2011	2012	2013	Total
Group Housing Schemes	19	8	8	2	8	45
No. of Proposed Purchases	1	1	1	1	1	5
Standard Local Authority Housing	5	5	5	5	5	25
Voluntary/RAS/Affordable/Shared Ownership	1	2	2	2	2	9
Total	26	16	16	10	16	84

Source: Clare County Council Traveller Accommodation Programme 2009-2013.

Under the Housing (Traveller Accommodation) Act 1998, each Council has a statutory obligation to take responsible steps to ensure the implementation of the Traveller Accommodation Programme in their respective counties. It is expected that the provisions of the Programme outlined above will serve to meet the existing and projected accommodation needs of travellers over the duration of the programme.

6.4.3 Persons with Disabilities

The latest Assessment of Housing Need (30 June 2009) for **Limerick County Council's** administrative area indicates that there are **68 applicants**, 5% of the Council's overall social housing list, categorised as disabled or having significant learning difficulties and requiring specifically adapted housing to meet their needs. This figure for **Limerick City Council**, as per the March 2008 Assessment of Housing Need was **22**, 1% of their overall social housing list.

The latest assessments of housing needs (March 2008) in Clare indicate that there are **23 people** in need of disabled accommodation in **Clare County Council's** administrative area along with a need for **6 persons in Kilrush** while Ennis does not have any requirement for disabled accommodation. In summary, 1.3% of the total specific need requirement in Clare is attributed to the need for disabled accommodation while a slightly higher 2.7% of Limerick's overall specific need requirement is attributed to this category.

In the past both Councils in Limerick have provided for the needs of disabled people by specifically adapting a small number of units in each new housing development and it is the intention of the Councils to continue making provision for the needs of disabled people in all new housing developments in Limerick by reference to need and suitability. However as new housing developments are unlikely to reach the levels witnessed in recent years, both Councils will need to consider alternative methods of meeting this demand if the supply coming from new housing developments is insufficient.

Each local authority must also provide for the needs of existing tenants and their families who are disabled or who become disabled and whose accommodation is unsuitable to their needs.

6.4.4 Homeless Persons

The local authorities are also required to provide accommodation for homeless persons within their respective areas.

- The latest Housing Needs Assessment for **Limerick City** (October 2009) and **Limerick County** (30th June 2009) indicate that there are **213 and 59 persons respectively** that are in need of accommodation as a result of being homeless. This equates to 8% of Limerick City's overall social housing list and 4.3% of Limerick County's housing need.
- As of March 2008, there were **14 people** classified as being homeless in **Clare**. Of this figure, 9 persons were homeless in Clare County, 4 were classified as homeless in Ennis and a single person was homeless in Kilrush Town Councils administrative area. The requirement of homeless accommodation in Clare is approximately 1% of the overall need compared with the need in Limerick which is much higher at 7% of the overall need in the City and County.

According to the Housing Act 2009, the Housing Authorities of Limerick and Clare must adopt a "homelessness action plan" to address homelessness in respect of their various administrative areas before August 2010. The Act specifies that a housing authority shall enter into arrangement with any other adjoining housing authority, as appropriate, to establish a joint homelessness consultative forum.

According to the Act, the Joint Homelessness Action Plan is required to detail the measures proposed to be undertaken to address homelessness in the administrative areas concerned by the housing authorities or other bodies providing services to address homelessness.

It is understood that the housing authorities of Limerick and Clare will adopt a joint homelessness strategy, with Limerick City as the responsible housing authority from which they will appoint a management group. This strategy will have regard to the principles of '*The Way Home: A Strategy to Address Adult Homelessness in Ireland 2008-2013*', prepared by the Department of the Environment Heritage and Local Government.

The measures aimed at addressing the following objectives are to be outlined:

- The prevention of homelessness;
- The reduction of homelessness in its extent or duration;
- The provision of services to address the needs of homeless households;
- The provision of assistance to persons who were formerly homeless;
- The promotion of effective coordination of activities proposed to be undertaken for the purposes of addressing homelessness in the administrative areas concerned.

6.4.5 Crisis and Emergency Accommodation

With regard to crisis and emergency accommodation, the Councils will try to ensure that such accommodation does not become a provider of long term housing. This would not be in line with its objective and the Councils are well aware of the problems that are associated with such an occurrence.

With an ever increasing demand for social housing, each participating Council may find it difficult to accommodate those that find themselves in need of emergency accommodation. This issue must be prioritised from the outset and dedicated resources should be in place to ensure that this is properly managed.

6.4.6 Financial Difficulty

Persons that are not reasonably able to meet the cost of accommodation they are occupying or to obtain suitable alternative accommodation have been categorised as having financial difficulties. It is clear from the latest Housing Needs Assessment that **this sub-category accounts for the largest proportion of housing need**. In Limerick, for example, there are 2,040 households in need of suitable accommodation as a result of financial difficulties and approximately two-thirds of this housing demand arises in Limerick City. There are a further 1,054 households classified as having financial difficulties across the three housing authorities in Clare. This category accounts for over one-half of the overall need in both counties, according to Table 6.4.

With the economy in the middle of one of the most severe downturns in decades, real incomes and employment levels are poised to fall over the short term. The economic and social consequences for this will be widespread and it is inevitable that the demand faced by the local authorities from this category will come under increasing pressure as a result. The reality is that both house prices and private rents have been declining, and with unemployment remaining

high in the short term, it is likely that this category will continue to account for a high proportion of housing need over the course of this Strategy.

The role of the private rental sector (in the form of Rent Supplement and Rental Accommodation Scheme) will be crucial for accommodating such households over the Strategy period.

6.5 Affordable Housing under Part V

In this section the current affordable housing lists across Clare and Limerick are quantified and the profile of applicants on the respective affordable housing lists in Clare and Limerick is examined. A key requirement of the Housing Strategy is to prepare an estimate of the requirement for affordable (and social) housing, based on the projected growth in population and households. The model housing strategy is used to ascertain the proportion of new households expected to experience affordability problems over the strategy period.

The 'affordable housing' category is intended to cater for those who do not qualify for social housing but are typically not able to provide for their own housing needs. These households are typically people in employment, but whose financial resources are deemed inadequate to allow them to provide their own housing needs as a result of escalating house prices over the last decade. This initiative since its inception in 2000 has been targeted principally at first-time buyers.

Consequences of the falls in house prices

A key implication of the reduction in house prices since 2007 has been that the price differential between the price of properties in the private market and those being sold under the affordable housing initiative has narrowed significantly. By December 2009 national house prices had fallen by around 31.5% since their peak in January 2007²⁰. While this represents the average, there is evidence of larger percentage declines in selected locations.

Our analysis of the housing market in Limerick and Clare, based on discussions with local estate agents and data from Daft.ie²¹, suggests that house prices have fallen across Limerick by up to 35% while they have experienced similar reductions in Clare²². As a result houses have already become more affordable, and with further house price reductions expected in 2010, this raises the possibility that there is now little, if any, need for affordable housing in Clare or Limerick.

From their respective peaks, Daft.ie estimates that house prices in Limerick fell by 22.8% in the City and 21.5% in Limerick County by December 2009, while Clare house prices had come down by 30.6% by the end of 2009. At that time, Daft.ie had more than 3,000 properties for sale across Limerick with 30% of properties for sale in Limerick City and the remainder in Limerick County. Clare had approximately 2,100 properties listed for sale at end 2009, with 76% of these properties in Clare County, 19% located in Ennis and the remaining 5% in Kilrush.

²⁰ PTSB/ESRI house price data

²¹ This data was collected over the December 2009-February 2010 period. Daft.ie just records asking prices which can be up to 20% higher than actual sales prices, according to local auctioneers.

²² There is no official data on house prices in Limerick or Clare for 2009. DKM has therefore obtained quantitative information from the property website Daft.ie and has discussed the market with leading local estate agents.

Tables 6.9 and 6.10 provide price and location statistics on properties for sale in Limerick and Clare, according to data from Daft.ie.

Table 6.9 Limerick Properties listed on Daft.ie, June-Dec 2009

Area	Number	Average bedrooms	Av 3-bed asking price
Limerick City	144	3.0	€188,593
Newcastle West	89	3.4	€161,016
Dooradoyle	77	3.5	€213,271
Castletroy	44	3.7	€201,227
Kilmallock	43	3.8	€175,429
Raheen	43	3.1	€212,976
Corbally	37	3.3	€197,389
Abbeyfeale	32	2.8	€177,722
Adare	29	3.6	€384,286
Bruff	29	3.7	€216,667
Entire County	814	3.4	€200,754

Source: www.Daft.ie

It is evident from the above that the average asking price of a 3-bedroom residential property in Limerick City, according to Daft.ie, was €188,593 over the second half of 2009. The properties listed in Limerick County were more expensive and when combined with the City, the average price of a 3-bedroom house for Limerick was just over €200,000. The most expensive properties for sale during the second half of 2009 were in Adare (€384,286) followed by Bruff (€216,667), where properties listed were 44% cheaper on average.

Table 6.10 Clare Properties listed on Daft.ie, June-Dec 2009

Area	Number	Average bedrooms	Av 3-bed asking price
Ennis	105	3.7	€191,508
Shannon	45	3.2	€180,346
Kilkee	44	3.3	€240,333
Sixmilebridge	26	3.4	€178,333
Kilrush	25	3.6	€221,167
Killaloe	18	3.3	€213,750
Tulla	17	3.8	€192,750
Lahinch	16	3.1	€221,111
Feakle	14	3.4	€296,667
Newmarket on Fergus	14	4.0	€212,500
Clarecastle	13	3.2	€160,817
Entire County	610	3.5	€216,610

Source: Daft.ie

According to properties listed on Daft.ie, the average price of a 3-bedroom house in Clare was approximately €217,000 over the same period, while properties in Ennis were listed for the lower price of €191,508. The average price for properties in Kilrush (€221,167), however, was just around 2% above the county average of €216,610.

Based on later data provided by Daft.ie, the overall average asking price of all units on Daft.ie as of March 2010 was €209,559 in Clare. The average asking price in Limerick City was €192,127 and €207,989 in Limerick County – a difference of €15,862²³. Taking an estimated average asking house price of around €180,000 for 2010, and allowing for a differential between asking and selling prices (c. 20%), the average property prices across the counties is estimated currently at around €145,000. Thus based on an average of €145,000, it is estimated that an employed couple, both working, would require a joint income of at least €30,000 if that household were to meet its own housing needs. Based on an average of €145,000, there would be terraced properties on the market for below €130,000. A married couple should have little difficulty in financing a 90% mortgage at these levels. At the time of writing, a 25-year mortgage for €117,000 (90% of €130,000) at 3.5% costs about €506 per month in (net) repayments, well within the financial compass of a couple on average earnings, although possibly more difficult for a single income borrower on average or below average incomes.

6.6 Affordable Housing Lists

Table 6.11 provides details of the number of applicants on the affordable housing lists across each participating local authority in Limerick and Clare at the end of December 2009. In total, there were 1,095 people seeking affordable housing across Limerick and Clare.

Table 6.11 Number of Affordable Housing Applicants in Limerick and Clare (as of December 2009)

Limerick City	374
<u>Limerick County</u>	<u>142</u>
Total Limerick	516
Clare County	321
Ennis Town	244
<u>Kilrush Town</u>	<u>14</u>
Total Clare	579
Total Limerick and Clare	1,095

Source: Limerick and Clare Local Authorities

Limerick

Based on the affordable housing lists for Limerick City Council and Limerick County Council, there are 516 applicants on the lists, of which 374 reside in Limerick City and 142 reside in the County Council's administrative area.

In respect of the affordable housing applicants in Limerick City, the income details of 248 applicants were provided and showed that 210 (almost 85%) had incomes below €24,000, with the remainder (15%) earning between €24,000 and €44,000.

The vast majority of the 374 applicants had a preference for 3-bedroom houses (57%) followed by 2-bedroom houses (10%) and 3-bedroom apartments (5%).

²³ See the Daft.ie House Price Report 2010 Q1 available at <http://www.daft.ie/report/Daft-House-Price-Report-Q1-2010.pdf>

In regard to Limerick County approximately 46 persons on the list have been refused offers due to being made redundant or being unable to raise the necessary mortgage finance. Thus 96 are still seeking affordable housing of which the vast majority reside in Dooradoyle, Raheen and Mungret (48 in total) and Castletroy and Annacotty (30 in total). The incomes of applicants remaining on the list are less than €50,000, according to information received from Limerick County Council, but it is likely that a proportion would have income levels well below this level. Most applicants are either renting or living at home while waiting to be approved for affordable housing.

Clare

Based on the affordable housing applications in Clare, which is managed by Clare County Council for the entire county, there are 579 applicants on the list. Of this aggregate figure, 244 have requested Ennis Town as their first preference while 14 have requested Kilrush as their location preference. This leaves 321 affordable housing applicants in Clare who have expressed a desire to reside in the Clare Council administrative area, 95 of which are seeking first preference accommodation in Shannon.

However, based on the reductions in house prices over the past three years, it is likely that a number of these applicants may be able to meet their own housing needs in the private market, given the now lower price of a starter home. However, there will also be a proportion that will be unable to obtain an affordable mortgage and there may be others who become unemployed. The latter two groups are likely to either seek State assistance or remain in their current accommodation for a longer period.

6.7 Part V Agreements

In Limerick City Council 42 affordable units were included in signed Part V agreements but had not commenced construction at 31st March 2009. These 42 units were planned in the following locations:

- 7 at Lord Edward Street (construction delayed for 12 months)
- 5 at Lynwood (planning not yet granted)
- 22 at Greenpark (Appealed to An Bord Pleanála, planning not yet granted)
- 3 at Redemptorist (construction delayed for 12 months)
- 5 at Blackboy, Green Hill Road (were expected to be transferred to the RAS scheme)

Based on information received in July 2009, Limerick County Council had 19 affordable houses available for occupancy and had signed Part V agreements for the delivery of 15 additional affordable units between 2010 and 2013:

Affordable Units available July 2009

- 4 were in Newcastle West
- 4 were in Crossagalla, Old Cork Road
- 1 was in Rosbrien
- 1 was in Fedamore
- 2 were in Bloomfield, Castletroy
- 7 were in Castleconnell.

Part V signed agreements 2010-2013

- 2 in Bloomfield, Castletroy
- 5 in Kylemore, Castletroy
- 2 in Arraview, Newcastle West
- 6 in Churchtown, Newcastle West

The above suggests that there are 34 potential new units available to meet the demand for affordable housing over the period 2009-2013. However, in the current climate it is not certain that the 15 Part V units above will be delivered.

Due to the uncertain climate, the indicative supply estimates provided in Section 7 assume that no new affordable housing units are supplied in Limerick City but that the 15 above are supplied in Limerick County between 2010 and 2013.

Clare County Council has one affordable direct construction scheme underway in Shannon. It's a possible two phase development, with phase 1 consisting of 16 units currently under construction. A further 38 affordable units constitute phase 2. There are also unsold affordable units in Clare County Council's administrative area with 13 unsold units for sale, dispersed over 8 rural locations. In addition there are 6 unsold affordable units in the Ennis town area.

Table 6.12 Location of unsold affordable units in Clare (April 2010)

Miltown Malby	1	Kildysart Road Ennis	1
Doonbeg	1	Crusheen	3
Clarecastle	1	Ennis Town	6
Newmarket on Fergus	2		
Kilkee	4	Total	19

6.8 Assessing Housing Affordability

The purpose here is to provide a basis for determining the number of households over the strategy period that would be eligible for social and affordable housing under Part V. The latter requires projections for incomes and house prices in order to correlate estimated incomes with house price data. The affordability analysis presented here follows the published DEHLG guidelines as it is required to do so²⁴. Thus for the purposes of this exercise the following data are required:

- 1) The level of new housing supply expected on the market over the Strategy period within each price band.
- 2) Information on the value distribution of transactions in Limerick and Clare by each price band.
- 3) A projection for house price inflation over the period of the Strategy, which allows projections for those price bands out to 2017.
- 4) The estimated distribution of household disposable incomes across each 10% of household (i.e. income deciles).
- 5) Projections for the growth in average household disposable incomes over the Strategy period.

²⁴ Part V of the Planning and Development Act, 2000 Housing Supply - A Model Housing Strategy and Step-by-Step Guide, prepared by PA Consulting Group, Brady Shipman Martin and Fitzpatrick Associates for the Department of the Environment, Heritage and Local Government, 2000

- 6) The maximum house price which a household could afford using up to 35% of their net income, the threshold for eligibility under Part V of the Local Government (Planning and Development) Act 2000.

In regard to 1) above it is assumed that the level of housing supply over the lifetime of the Strategy is equal to the level of demand. Thus total demand/supply is equivalent to the number of new household formations²⁵. The level of supply is then distributed according to the value distribution of transactions across each band of properties coming to the market each year, based on DEHLG data²⁶.

Household Incomes

The next Table shows the average disposable income per person in Limerick and Clare up to 2007 (the latest data available) from the CSO. Average incomes in Limerick have been very similar to the State average for the seven year period 2001-2007, whereas average incomes in Clare have been lower than the State average during this period.

Table 6.13 Disposable Income per person, €

	2001	2002	2003	2004	2005	2006	2007
Clare	14,785	15,785	16,769	17,509	18,725	19,283	20,245
Limerick	15,894	17,003	18,037	19,192	20,359	20,980	21,966
Mid-West	15,316	16,433	17,447	18,447	19,669	20,246	21,185
State	15,842	16,998	18,101	18,842	19,983	20,746	21,694
Clare as % of State avg	93.3%	92.9%	92.6%	92.9%	93.7%	92.9%	93.3%
Limerick as % of State avg	100.3%	100.0%	99.6%	101.9%	101.9%	101.1%	101.3%
Mid-West as % of State avg	96.7%	96.7%	96.4%	97.9%	98.4%	97.6%	97.7%

Source: CSO County and Regional Incomes, 2007

Projections for disposable income growth over the period to 2017 are based on projections from the ESRI's Quarterly Economic Commentary (QEC) and also projections from their World Recovery scenario of the Recovery Scenarios for Ireland publication which was released in April 2009. Thus average disposable incomes are forecast to increase by 49% over the period 2009-2017.

Table 6.14 Projected growth in disposable income 2009-2017

2009	2010	2011	2012	2013	2014	2015	2016	2017
-5.2%	-2.5%	1.1%	3.5%	7.7%	7.2%	7.2%	7.2%	7.2%
Index 2009 = 100								
100	97.5	98.6	102	109.9	117.8	126.3	135.4	145.1
% change 2009-2017 =			+45%					

Source: Quarterly Economic Commentary, ESRI, December 2009 up to 2012 and the ESRI Recovery Scenario to 2015. 2015 percentage change assumed in 2016 and 2017.

²⁵ The projected level of new household formations are consistent with the population projections and show the total number of households in Limerick increasing to 83,635 by 2017 from 64,225 in 2006, i.e. an increase of 19,410 or 2.4% per annum on average. The corresponding increase in Clare is 10,759 households or 2.3% per annum on average (see Section 3).

²⁶ Refer to Appendix 4 for incomes/affordability data. This Appendix contains the detailed workings of the Housing Strategy Model in regard to the distribution of household disposable incomes across the population in Limerick and Clare.

A more detailed explanation of how the income data for the Limerick and Clare is interpreted is contained in Appendix 4. Table 6.15 below outlines our assumptions surrounding projected house prices, which is a key component for assessing housing affordability going forward.

The Housing Strategy model requires information on the value distribution of transactions²⁷ to estimate the number of units across each price band for properties coming on to the market in each year of the Strategy period. In doing so a projection for average house price inflation is needed. Based on the projection below, average house prices in Limerick and Clare are projected to increase by 24% over the Strategy period.

Table 6.15 Projected house price inflation 2009-2017

2009	2010	2011	2012	2013	2014	2015	2016	2017
-10%	-8%	0%	+3%	+3%	+5%	+5%	+7%	+7%
Index 2009 = 100								
100	92.5	92.5	95.28	98.1	103.0	108.2	115.8	123.9
% change 2009-2017 =			+24%					

Source: DKM projections.

The outcome at this stage is a projection of the estimated number of units expected to come to the market (based on the above value distribution) over time (based on the projected increase in house prices up to 2017).

6.9 Anticipated Affordable Housing Need

As per the model housing strategy, this then allows an estimate of the number of persons who cannot afford properties in each price band to be derived based on their income bands.

The key assumptions employed to ascertain the number of households who cannot expect to find housing provided by the market below their maximum affordable house price (i.e. based on allocating up to 35% of their net income to a mortgage) are as follows:

- Total mortgage loan to value ratio of 90%
- Mortgage interest rate of 3.5%
- Term of Loan 25 years
- Tax relief on mortgage interest is available, subject to a ceiling of €10,000 for a single first-time buyer and €20,000 for a married couple.

Table 6.16 summarises the position with regard to the number of households who would need to spend more than 35% of their net income to purchase a property over the next 25 years. **It concludes that approximately 468 new households will require assistance with their housing needs due to affordability problems in the Limerick/Shannon Gateway over the course of the Strategy. The corresponding numbers in Limerick and Clare are 583 and 438 households respectively.**

²⁷ The DEHLG supplied data on the number of transactions within a range of price band for each county.

To reflect the changed economic environment, the housing model has been amended to reflect the fact that a proportion of new households formed over the lifetime of the Strategy may become unemployed. Thus the housing provision derived for the Gateway and Limerick and Clare has been amended by assuming that 3% of all new households become unemployed over the period of the Strategy. **This adjustment increases the number of households expected to experience affordability by 280 in the Gateway, 388 in Limerick and 215 in Clare.**

Based on the methodology set out in the DEHLG's guidelines for preparing a Housing Strategy, and including assumptions for the key variables - growth in population and household, disposable incomes and average house prices, mortgage rate and loan to value ratio - this analysis suggests that **approximately 748 households in the Gateway (average of 107 per annum) will be unable to meet their own housing needs over the period of the Housing Strategy. The corresponding figures in Limerick and Clare are 971 and 653 respectively, implying a total of 1,624 households (average of 232 per annum) will be unable to meet their own housing needs over the next seven years across Limerick and Clare.** These figures corresponds to an average of 8.0% in the Gateway, 7.5% in Limerick and 9.1% in Clare of newly formed households who will need assistance with their housing needs over the period of the Strategy²⁸.

Table 6.16 Projected housing demand in areas served by Limerick/Shannon GATEWAY (as of February 2010)

	Strategy period								
	2010	2011	2012	2013	2014	2015	2016	2017	2010-2017
Newly formed households	1,214	1,243	1,273	1,303	1,334	1,366	1,398	1,432	9,348
Number of households with affordability problems	75	64	76	70	64	64	65	66	468
New households that become unemployed	<u>36</u>	<u>37</u>	<u>38</u>	<u>39</u>	<u>40</u>	<u>41</u>	<u>42</u>	<u>43</u>	<u>280</u>
Households capable of meeting their own housing needs	1,139	1,179	1,197	1,233	1,270	1,302	1,334	1,365	8,880
New Households needing assistance	111	101	114	109	104	105	107	109	748
% of Newly Formed Households	9.1%	8.1%	8.9%	8.4%	7.8%	7.7%	7.6%	7.6%	8.0%

Table 6.17 Projected housing demand in areas served by Limerick Local Authorities (as of February 2010)

	Strategy period								
	2010	2011	2012	2013	2014	2015	2016	2017	2010-2017
Total Households	70,698	72,416	74,175	75,977	77,823	79,714	81,651	83,635	
Newly formed households	1,677	1,718	1,759	1,802	1,846	1,891	1,937	1,984	12,937
Number of households with affordability problems	96	95	96	87	76	75	76	78	583
New households that become unemployed	<u>50</u>	<u>52</u>	<u>53</u>	<u>54</u>	<u>55</u>	<u>57</u>	<u>58</u>	<u>60</u>	<u>388</u>
Households capable of meeting their own housing needs	1,531	1,571	1,611	1,661	1,715	1,759	1,803	1,847	11,966
New Households needing assistance	146	147	149	141	131	131	134	137	971
% of Newly Formed Households	8.7%	8.5%	8.5%	7.8%	7.1%	6.9%	6.9%	6.9%	7.5%

²⁸ The breakdown of the projected housing demand and household formation across Limerick (City, Environs and Rest of County) and Clare (Clare County, Ennis and Kilrush) is presented in Appendix 5.

**Table 6.18 Projected housing demand in areas served by Clare Local Authorities
(as of February 2010)**

	2010	2011	2012	2013	2014	2015	2016	2017	Strategy period 2010-2017
Total Households	41,817	42,771	43,747	44,745	45,765	46,809	47,877	48,969	
Newly formed households	933	954	976	998	1,021	1,044	1,068	1,092	7,152
Number of households with affordability problems	67	40	68	66	65	65	66	68	438
New households that become unemployed	<u>28</u>	<u>29</u>	<u>29</u>	<u>30</u>	<u>31</u>	<u>31</u>	<u>32</u>	<u>33</u>	215
Households capable of meeting their own housing needs	838	885	878	902	925	948	969	992	6,499
New Households needing assistance	95	69	98	96	96	96	98	100	653
% of Newly Formed Households	10.2%	7.2%	10.0%	9.6%	9.4%	9.2%	9.2%	9.2%	9.1%

These 1,624 households (971 in Limerick and 653 in Clare) can either have their accommodation needs met from the range of housing supply interventions available, including social and affordable housing under Part V, Rent Supplement, RAS or leasing, or they may choose the private rented sector.

Limerick/Shannon Gateway – projected housing need based on assessment of affordability

The main points of note from the projections for the Gateway are as follows²⁹:

- ✓ The number of new households in the Gateway is projected to increase by 9,348 between 2010 and 2017.
- ✓ The total housing requirement, based on the projection for new households and taking into account the proportion of those which may become unemployed over the Strategy period is an **average of 8.0%** across the Gateway.
- ✓ Thus the figures suggest that of the 9,348 new households in the Gateway, the vast majority (95%) will be capable of meeting their own need in the private market, by purchasing or renting to meet their accommodation needs.
- ✓ The above figures exclude the social and affordable housing backlog as at the end of December 2009 (see Section 7).

Key Points on Shannon

- Of the 9,348 households projected to increase in the Gateway over the period of the Strategy, 2,033 are expected to arise in Shannon Town, of which 1,931 (95%) will be capable of meeting their own housing needs.³⁰

²⁹ See Appendix 5 for details on the constituent areas of Limerick and Clare.

³⁰ Population targets have not been provided specifically for Shannon Town but rather for the Clare part of the Gateway, which includes parts of the electoral district, Ballyglass. A 2017 projection for Shannon Town was derived based on the annual average growth in the Clare part of the Gateway and applying it to Shannon's 2006 baseline population figure of 9,222. On this basis Shannon's population increases by 5,923 between 2006 and 2017. From these population targets, it was then possible to estimate the projected housing composition in Shannon, having applied the growth in the town as a proportion of growth in the Gateway from 2006-2017.

- It is envisaged that approximately 61 of the 2,033 new formed households will become unemployed, thereby contributing to the total number of new households needing assistance over the course of the strategy.
- With 102 of the new households expected to encounter affordability problems and a further 61 households likely to become unemployed over the period of the Strategy, it is estimated that 163 of the new households will need assistance.

The Housing Strategy does not just provide for the future population and new households (as determined above) but must also provide for the existing population who remain to be accommodated at the beginning of the Strategy period. This is referred to as the housing backlog - i.e. social and affordable housing backlog - and is presented in Section 7, which assesses the overall demand (backlog and new households) against the indicative supply over the period.

6.10 Implications for the Housing Strategy

The main implications of this section for the Housing Strategy are as follows:

- 1) As of the end of 2009, there was a substantial social housing backlog to be accommodated as indicated by the numbers on the social housing lists: 2,600 in Limerick City, 1,224 in Limerick County and 2,148 in Clare. There were a further 1,095 applicants seeking affordable housing. This implies that, **separate to the demand arising from the growth in new households, there are approximately 7,000 households across Limerick and Clare who are seeking assistance from the public sector with their housing needs.**
- 2) A breakdown of these households according to categories of need shows that the vast majority are on the housing list due to financial difficulties with meeting the cost of their accommodation.
- 3) The needs of the approximately 7,000 households will be met from the range of housing supply interventions available, with a lesser focus on new build compared with the previous strategy.
- 4) The respective local authorities have separate planned accommodation programmes for individual categories (e.g. elderly, disabled, travellers, the homeless) which they will aim to deliver over the Strategy period.
- 5) Based on the affordability model, **the proportion of new households expected to experience affordability problems over the next seven years is 8.0% in the Gateway and is higher in Clare (9.1%) than in Limerick (7.5%).** These proportions imply that approximately 748 households in the Gateway (average of just over 100 per annum) will be unable to meet their own housing needs over the period of the Housing Strategy. The corresponding combined figure in Limerick and Clare is 1,624 households (average of 232 per annum). These households will need to be accommodated by the public sector over the next seven years.

- 6) An important distinction between the current Strategy and previous strategies is the outlook for house prices. Based on the reductions in house prices over the past three years (as opposed to the substantial increase recorded over the period 2000 to 2006), it is possible that a number of those households seeking assistance with their housing needs may be able to meet their own housing needs in the private market, given the now lower price of a starter home. The latter assumes these households remain in employment.
- 7) The main risk to the above scenario is that the price and income assumptions used to ascertain the demand for affordable and social housing over the period of the Housing Strategy do not materialise. If house prices were to continue declining or to increase by less than projected, the impact would be an improvement in housing affordability for those in employment, resulting in less demand for public sector housing. However, if incomes were also to increase by less than projected or to decline in real terms, the demand for social and affordable housing would be higher than projected, assuming house prices were unchanged.

7. Housing Demand and Supply in Limerick and Clare 2010-17

Based on the analysis presented in previous sections, in respect of the following:

- The projected population and household formation targets for the Limerick/Shannon Gateway and the individual local authorities over the period of the Housing Strategy (Section 3),
- The specific provisions of the Regeneration Programme (Section 5),
- The estimated social and affordable housing backlog which remains to be accommodated at the end of December 2009 (Section 6),
- The overall demand for housing and the projected requirement for social and affordable housing based on the growth in population and households over the next seven years (Section 6), and
- The supply and distribution of residential zoned land and the estimated vacant stock (Section 4),

this section can now provide a projection for the total demand for and supply of housing in the constituent local authorities over the period 2010-2017.

Firstly, this section presents the accumulated social and affordable backlog across Limerick and Clare at the end of 2009. It also provides indicative housing supply estimates for the public sector over the next seven years. Aggregating the number of households expected to experience affordability problems over the Strategy period and the social and affordable housing backlog at the end of December 2009, it estimates the public sector gap which is likely to remain at the end of the Strategy period by setting demand against supply.

While the figures contained in this section are likely to be subject to change, they are merely intended to indicate the scale of the total housing requirement, across all tenures, to be met across Limerick and Clare over the Strategy period. The section concludes with recommendations as to how the need identified should be allocated spatially across the participating local authorities.

7.1 Housing Strategies and the Changed Economic Realities

It is approximately one decade since the provisions for Housing Strategies and Part V of the Planning and Development Act 2000 were implemented. The changed economic realities and the severe housing crisis of the last three years have led to a very different housing environment.

The changed economic situation has witnessed two developments which are increasing pressure on local authorities:

- 1) The deterioration in the public finances has meant that indicative budgets for social housing have been significantly reduced, resulting in a lower social and voluntary housing supply over the Strategy period; and
- 2) There has been a substantial increase in the combined housing lists across the participating local authorities as a result of the recession and the increase in unemployment.

Both have significant implications for housing over the Strategy period. The first implies that the conventional intended means of increasing the provision of social and affordable housing (i.e. new build, both public and private sourced from Part V) are no longer achievable due to funding constraints.

The more flexible approach to the delivery of housing as set out in national housing policy, has lead to other supply alternatives/interventions such as the Leasing Initiative and the Rental Accommodation Scheme (which have been elaborated on elsewhere in this report). These alternatives can be expected to play an increasingly important role over the Strategy period.

7.2 The projected social housing demand/supply balance

A considerable amount of statistics and other information has been collected from the participating local authorities in order to establish the current requirement as of 31st December 2009. This information was collected during the period August 2009 - February 2010 and while every effort has been made to portray the actual situation, this data may not be entirely up to date. It is merely intended to illustrate, with indicative estimates, the current backlog of social and affordable housing demand across Limerick and Clare.

Table 7.1 provides a summary of the backlog situation across Limerick and Clare, which has been derived from the individual social and affordable housing waiting lists for Limerick City, Limerick County and the constituent areas of Clare. The estimated breakdown of Limerick County Council's administrative area between the City Environs and the 'rest of county' was provided by Limerick County Council. The respective local authorities will make every effort to accommodate this housing backlog over the period of the Strategy.

Table 7.1: Social and Affordable Housing Backlog in Limerick and Clare at 31st December 2009

	Total Limerick and Clare	Total Limerick	Limerick City	Limerick County	Limerick City Environs	Rest of Limerick County	Total Clare	Clare County Council	Ennis Town Council	Kilrush Town Council
Demand backlog as of y/e Dec 2009:										
Social housing (1)	5,972	3,824	2,600	1,224	263	961	2,148	1,300	771	77
Affordable housing	<u>1,095</u>	<u>516</u>	<u>374</u>	<u>142</u>	<u>31</u>	<u>113</u>	<u>579</u>	<u>321</u>	<u>244</u>	<u>14</u>
Total Backlog	7,067	4,340	2,974	1,366	294	1,074	2,727	1,621	1,015	91
Currently awaiting transfer to RAS	1,797	1,250	800	450	97	353	547	165	328	54
Estimated social housing supply over Strategy period: (2)										
Social Housing (new/acquisitions)	541	488	170	318	89	229	53	28	15	10
Voluntary Housing	258	212	80	132	0	132	46	46	0	0
Affordable Housing	477	15	0	15	9	6	462	432	30	0
Leasing Initiative	671	416	176	240	160	80	255	200	50	5
Regeneration (3)	0	0	0	0	0	0	0	0	0	0
Casual Vacancies	<u>1,534</u>	<u>880</u>	<u>400</u>	<u>480</u>	<u>80</u>	<u>400</u>	<u>654</u>	<u>480</u>	<u>150</u>	<u>24</u>
Total	3,481	2,011	826	1,185	338	847	1,470	1,186	245	39
Implied public sector gap	3,586	2,329	2,148	181	-44	227	1,257	435	770	52
RAS Supply (4)	1,797	1,250	800	450	97	353	547	165	328	54

Source: Assessment of Housing Needs and Affordable housing lists for Limerick City and County Councils, Clare County Council, Kilrush and Ennis Town Councils, DKM.

Notes to Table are on the next page.

Notes to Table 7.1

(1) The figures relating to the social housing backlog are as of the 2009 assessments of housing need carried out in the respective local authorities during 2009. Figures for Limerick include some 583 households eligible for Rent Supplement (243 in City and 340 in County) from the housing assessment. Figures for Clare include 1,053 households deemed eligible for Rent Supplement in the whole of Clare, as per the assessment of housing need (641 Clare County/405 Ennis/7 Kilrush).

(2) This housing supply information was provided by the respective local authorities and is based on the best information available at end of April 2010. In some instances, the local authorities could only provide supply projections up to 2012 and in such instances DKM provided **indicative estimates** for supply over the remaining years of the Strategy. The public housing supply figures are required to estimate the public housing deficit which arises over the period of the Strategy.

(3) The projection of zero social housing in the Regeneration Areas is consistent with the Regeneration Programme in that no new social housing supply is projected in the Regeneration areas other than replacement housing.

(4) Over the course of this Strategy, Limerick City Council is aiming to achieve a target of 120 RAS transfers per annum. Limerick County is striving to achieve a similar target of 118 RAS transfers per annum. Provided these targets are met, this would mean that 960 RAS households will be accommodated in Limerick City from 2010-2017 while this figure will be approximately 944 in Limerick County. The Table above assumes that only those currently awaiting transfer to RAS are accommodated over the Strategy period.

The main points from Table 7.1 are as follows:

- ✓ The existing social and affordable housing backlog consists of those on the current social housing lists (3,824 households between the Limerick City and County and 2,148 in Clare) plus those on Affordable Housing lists (516 households between Limerick City and County and 579 in Clare). Thus the **total backlog is estimated at 7,067 (4,340 in Limerick and 2,727 in Clare) households. Approximately 2,974 of these households reside in Limerick City and around 1,366 reside in Limerick County. The social and affordable housing backlog amounts to 2,727 households in Clare.**
- ✓ The above figures exclude current applications for Rent Supplement and the Rental Accommodation Scheme (RAS). The Rent Supplement is the responsibility of the Department of Social Protection. It is not possible to get accurate figures for applications for Rent Supplement due to the nature of the application process whereby those seeking Rent Supplement need to register on the local authority housing list. These applicants however are likely to be accommodated in the private rented sector. Thus the local authorities have little or no control over where these households are accommodated.
- ✓ It is the case that households on Rent Supplement are to be transferred to the Rental Accommodation Scheme (RAS) after eighteen months. The **number of units awaiting transfer to RAS is almost 1,800** (800 in Limerick City, 450 in Limerick County and 547 in Clare). Again those accommodated under RAS are accommodated by private landlords who register with the local authorities for RAS.

Thus based on the estimated backlog of 4,340 across Limerick and 2,727 across Clare, the combined estimated backlog is 7,067, before taking account of new household formation over the period 2010-2017. The vast majority of these households are likely to be accommodated in units which are already constructed, given the funding constraints for new

build. This implies that where you accommodate social housing over the lifetime of the Strategy is almost pre-determined.

Indicative housing supply - Limerick

In an effort to ascertain how these households might be accommodated information was provided by the participating local authorities on their anticipated public housing supply over the Strategy period, based on current information. Indicative supply estimates are included in Tables 7.1.

The main points with regard to public housing supply in Limerick are as follows:

- ✓ A total of 488 **social housing** units are expected to be provided in Limerick, comprising of new units and acquisitions. Approximately 35% of these are expected to be provided in Limerick City (170).
- ✓ The contribution from the **Voluntary Housing** sector is estimated at 212 units (all new build).
- ✓ In regard to **Affordable** units, the Table shows 15 units due to come on stream in Limerick over the period of the Strategy.
- ✓ The expected contribution from the **Leasing Initiative** is 416 units, with 240 of these (58%) expected in Limerick County and 176 in the City.
- ✓ In respect of **Regeneration**, there is no new social housing supply expected over the period of the Strategy. Any new units delivered in the Regeneration areas are likely to be delivered towards the end of the Strategy period and are expected to be for the private market and/or to contribute to affordable supply. The hope would be that the housing market recovers a few years into the Strategy to allow the Regeneration Agencies to begin to deliver the planned private/affordable units projected for the regeneration areas.(New private sector units under the Regeneration Programme are included in Table 7.3).
- ✓ The number of units expected to come from **casual vacancies** is estimated at 880, 400 of which are expected to arise in Limerick City. While these units are part of the existing housing stock (and are therefore not new units) they represent accommodation which is expected to become available for new persons in need of housing as a result of units being vacated (due to a number of reasons including, for example, deaths, private purchases or emigration).

Based on the above estimates, the total social housing supply over the Strategy period is projected at 2,011 in Limerick (826 in Limerick City and 1,185 in Limerick County). This figure excludes the accommodation provided in the private rented sector under the RS and RAS. However these provisions will impose considerable cost on the State (via RS) and the local authorities (via RAS).

Overall the outcome of the above estimates of the demand backlog (at 31st December 2009) and projected social housing supply is that there will be a shortfall of around 2,329 households in need of social housing (need of 4,340 less supply of 2,011) across Limerick which will remain to be accommodated by 2017.

Indicative housing supply - Clare

The main points with regard to supply in Clare are as follows:

- ✓ A total of just 53 **social housing** units are expected to be provided in Clare over the period. This figure includes 15 acquisitions in the Ennis Town Council administrative area.
- ✓ The contribution from the **Voluntary Housing** sector is estimated at 46 units (all new build).
- ✓ In regard to **Affordable** units, the Table shows 462 units in Clare overall with the majority of these, 432, expected in Clare County Council's administrative area.
- ✓ The expected contribution from the **Leasing Initiative** is 255 units, most of which are expected in the Clare Council administrative area. Ennis expect a contribution of approximately 50 under this heading.
- ✓ The number of units expected to come from **casual vacancies** is estimated at 654, 480 (73%) of which are expected to arise in the Clare County Council administrative area.

Based on the above estimates, the total number of households accommodated by the public sector over the Strategy period is **1,470** households (1,186 in Clare County Council, 245 in Ennis Town Council and 39 Kilrush Town Council). This figure excludes the accommodation provided in the private rented sector under the RS and RAS. Again, these provisions will impose considerable cost on the State (via RS) and the local authorities (via RAS).

Overall the outcome of the above estimates of the demand backlog (at 31st December 2009) and projected social housing supply is that there will be a shortfall of around 1,257 households in need of social housing (need of 2,727 less supply of 1,470) across Clare which will remain to be accommodated by 2017.

While these estimated public housing deficits for Limerick (2,329) and Clare (1,257) can only be indicative estimates and will depend on how the economy and housing market evolve over the next eight years, it does suggest that there remains a substantial backlog of households (3,586) to be accommodated. A greater effort will be needed in respect of some initiatives if this gap is to be reduced.

The next Section examines the demand/supply situation which arises from the growth in new households.

7.2.1 New households needing State assistance

Taking the information in Table 7.1 and including the projected numbers of new households expected to experience affordability problems (total of 1,021 households as per Section 6 – Tables 6.17 and 6.18) as well as the households which are expected to become unemployed over the Strategy period due to the economic situation (total of 603 households³¹), **the total number of new households expected to require assistance with their housing needs is 1,624 over the Strategy period. Around 60% are expected to reside in Limerick (19% in the City) and 40% in Clare.**

Thus aggregating

- 1) the social and affordable housing backlog (7,067 households) at end of December 2009,
- 2) the increase in numbers on the social housing waiting lists from the existing population as a result of the economic climate, estimated at 429 households, and
- 3) those new households expected to need assistance with their housing needs (1,624),

the total social and affordable housing requirement amounts to 9,120 households, of which 5,632 reside in Limerick (63% in Limerick City and 37% in Limerick County) and 3,488 reside in Clare (Table 7.2).

Setting this social and affordable housing demand against the indicative public sector supply, the figures suggest that the **total combined deficit across Limerick and Clare will be 5,639 households, which will remain to be accommodated by means other than the supply projected by the local authorities (3,481) or will remain to be accommodated at the end of the Strategy period.**

Approximately 64% of the deficit is expected to arise in Limerick and around 36% in Clare. 75% of the deficit in Limerick is expected to arise in Limerick City (2,723 households). This is a reflection of the lack of housing supply, historic and projected, in Limerick City but is also explained by the substantial social housing backlog which already exists in the City.

In Clare, the overall public housing deficit (2,018 households) is split almost equally between Clare County Council (48%) and Ennis (48%), leaving 4% of the deficit assigned to Kilrush Town Council.

³¹The 603 households (388 in Limerick and 215 in Clare – Tables 6.17 and 6.18) households represent the number of new households expected to become unemployed over the Strategy period due to the economic situation. These figures are derived by assuming that 3% of all new households become unemployed in Limerick County and Clare over the Strategy period.

Table 7.2: Summary of the Indicative Public Housing Deficit/Requirement 2010-2017

	Total Limerick and Clare	Total Limerick	Limerick City	Limerick County	Limerick City Environs	Rest of Limerick County
1. S&A backlog	7,067	4,340	2,974	1,366	294	1,074
2. Less indicative public sector supply	3,481	2,011	826	1,185	338	847
3. Public housing deficit	3,586	2,329	2,148	181	-44	227
4. Add increase in waiting lists due to economic environment	429	321	260	61	13	48
5. Revised public housing deficit	4,015	2,650	2,408	242	-31	275
6. New households needing assistance	1,624	971	315	655	169	486
7. Total public sector housing gap	5,639	3,621	2,723	897	138	761
8. Total S&A demand (1+4+6)	9,120	5,632	3,549	2,082	476	1,608
		Total Clare	Clare County Council	Ennis Town Council	Kilrush Town Council	
1. S&A backlog		2,727	1,621	1,015	91	
2. Less indicative public sector supply		1,470	1,186	245	39	
3. Public housing deficit		1,257	435	770	52	
4. Add increase in waiting lists due to economic environment		108	65	39	4	
5. Revised public housing deficit		1,365	500	809	56	
6. New households needing assistance		653	462	163	28	
7. Public sector housing gap		2,018	962	972	84	
8. Total S&A demand (1+4+6)		3,488	2,148	1,217	123	

Source: Limerick City and County Councils, Clare County Council, Kilrush and Ennis Town Councils.

S&A = Social and Affordable housing to be accommodated over the period of the Housing Strategy.

Thus if the deficit of 5,639 households across Limerick and Clare is to be cleared over the period of the Strategy, other supply will need to come onstream from the various supply interventions (e.g. RAS, RS and Leasing) or from the Part V allocations based on planning permissions.

It should also be pointed out that there remains the range of public housing interventions and supports³² which are available to local authorities, subject to funding being available. This reaffirms the need for constant review and monitoring of the performance and delivery of new units through each of these mechanisms over the lifetime of the Strategy.

³² See Appendix 3.

7.3 The total housing supply/demand balance

The overall demand for housing is determined by the growth in new households, projected at 9,348 in the Limerick/Shannon Gateway and 20,089 across Limerick (12,937) and Clare (7,152). Excluding those new households expected to need assistance (1,624)³³ leaves a balance of 18,465 for households which have to be accommodated outside of the public sector. These households can meet their accommodation needs without assistance from the State either in the private rented sector, from the stock of vacant units or from the new build sector.

The Strategy provides a demand/supply scenario whereby these 18,465 households are accommodated via the above means across Limerick and Clare.

Table 7.3 provides a supply/demand scenario which is derived, based on the following assumptions.

Vacant stock expected to contribute to housing demand

The current level of vacant stock within the subject area is an estimate only, at around 17,600 across Limerick and Clare³⁴. However it is likely that a reasonable estimate of 'excess' vacancy (i.e. that above and beyond normal vacancy rates and thus likely to be a direct consequence of the current economic challenges) is some 7,000 housing units. These units are assumed to meet some of the new demand in the owner occupied and private rented sectors and are distributed according to the breakdown of the estimated vacant stock across Limerick and Clare (as per Table 4.6).

Adjusting the demand of 18,465 for the 7,000 vacant units, leaves a requirement for 11,465 units. It is important to exclude the number of one-off houses and other new supply not subject to Part V in order to ascertain the numbers that are likely to be subject to Part V.

One-off housing and units not subject to Part V

Based on consultations with the participating local authorities, and purely for the purposes of calculating the potential Part V social housing provision, it is projected that over the period of the Strategy approximately 30% of new build will be one-off housing or units not subject to Part V in both Limerick County and Clare, while an estimated 150 units in Limerick City are assumed to be exempt from Part V. It should however be noted that as set out under Key Policies, the respective Local Authorities will grant permission for one-off housing, where rural need is established, consistent with the provisions of Ministerial Guidance on Rural Housing, 'Sustainable Rural Housing, Guidelines for Planning Authorities, April 2005'

The deductions assumed here, for the purpose of estimating the Part V provision, are applied to the figure of 11,853 in Table 7.3, leaving 8,983 new build units which, if provided, will be subject to Part V. These units will supply the owner occupied and the private rented markets.

³³ These 1,624 households have already been taken into account in the previous public sector demand/supply analysis (Table 7.2 and Section 7.2).

³⁴ The 2006 Census figure for the vacant stock across Limerick and Clare was 15,500 units. The current estimate for the total vacant units as of December 2009, as per Table 4.6, is closer to 17,600 units, based on the methodology set out in Section 4.5, of which it is estimated that less than 8,000 units of this total would be available at any point in time. Table 7.3 assumes that 7,000 are available.

Part V requirement

The analysis conducted for the Housing Strategy has concluded that the main issue concerns the social housing backlog, while the proportion expected to experience affordability problems over the period of the Strategy is modest, based on the growth in new households: 8.0% in the Gateway, 7.5% in Limerick and 9.1% in Clare. Accordingly, it is recommended that the maximum of 20% of the land zoned for residential use be reserved for the provision of social housing in Limerick County and Clare.

Given the overriding aim of the Strategy to address the overall social mix balance, it is recommended that the percentage of land zoned for residential use be set at 15% in Limerick City, excluding the Regeneration Areas.

However, there will be flexibility to alter these percentages in the case of planning permissions where a Local Authority confirms an inappropriate balance of housing tenure already exists within a community, in which case an off-site provision of housing or for payment of monies in lieu can be provided instead.

Estimated Part V provision

Thus applying the maximum Part V rate of 20% in Limerick County and Clare, a total of 722 social units would be provided in Limerick County and 511 in Clare. Using the lower rate of 15% in Limerick City (excluding Regeneration units) due to the existing concentration of social housing, the total Part V provision is estimated at 77 units. The reason for treating Limerick City differently with regards the Part V requirement is due to the unique social segregation issues in the City and the well documented problems associated with this.

The Part V provision in the Limerick/Shannon Gateway is estimated at 471 units of which 77 are provided in Limerick City, 188 in the City Environs and 206 in Shannon and the part of Limerick City Environs that is in Clare.

The maximum allocation which would become available for social provision is some 1,310 dwellings (as outlined in Table 7.3). It is possible that the new build figure may be lower depending on the contribution from other supply options, which would imply a lower Part V provision.

Table 7.3: The distribution of total housing demand and supply in Limerick and Clare including the estimate required under Part V (number of households/housing units) 2010-2017

1	2	3	4	5	6	7	8
How the supply is met:	Total Demand/ Supply	Vacant Units which meet supply	Demand less vacant units	Exclude one-offs (plus 150 in City)	Part V % assumed	Part V supply est	Part V Distributed as follows
Limerick City	3,887	1,227	2,660	2,510	15% of 510	77	77
Limerick City Environs	2,089						188
Limerick Co. minus Environs	5,991						534
Limerick County	<u>8,079</u>	<u>2,923</u>	<u>5,156</u>	<u>3,609</u>	20%	<u>722</u>	<u>722</u>
Total Limerick	11,966	4,150	7,816	6,119		799	799
Clare County Council	4,597						363
Kilrush Town	276						20
Ennis Town	1,626						128
Total Clare	<u>6,499</u>	<u>2,850</u>	<u>3,649</u>	<u>2,554</u>	20%	<u>511</u>	<u>511</u>
Total Clare and Limerick	18,465	7,000	11,465	8,673		1,310	1,310

Source: DKM and RPS

Notes to Table:

Column 2 sets out the projected number of new households formed in Limerick and Clare over the Strategy period who will be seeking accommodation without State assistance. Those requiring assistance with their housing needs from the State have already been considered in Table 7.2.

Column 3 is the estimated number of vacant units which will be capable of accommodating some of the projected demand over the Strategy period either in the owner occupied or private rented sectors.

Column 4 represents the remaining demand which will need to be accommodated from other sources.

Column 5 excludes one-offs and other units not subject to Part V in order to ascertain the Part V requirement. For the purposes of this exercise, this proportion is assumed to be 30% in Limerick County and Clare, based on historical experience and consultations with the respective local authorities. An estimated 150 units are assumed to represent the number of units not subject to Part V in Limerick City. Thus the total of 8,673 represents an estimate of the remaining housing demand to be accommodated, which if provided as new housebuilding, will be subject to Part V. Of course this demand may be accommodated by other supply interventions, e.g. Rent Supplement, RAS and Leasing, in which case the Part V requirement will not arise.

Column 6 assumes that the percentage of lands to be reserved for Part V will be 20% in Limerick County and Clare. In Limerick City, based on assuming that 2,000 new units will be provided in the Regeneration areas, the balance of 510 is subject to 15%.

Thus **Column 7** provides an indicative estimate of the Part V supply, estimated at 1,310 (799 units in Limerick and 511 units in Clare), which are distributed as per Column 8.

This would leave a residual need of some 4,329 (i.e. the deficit of 5,639 as per Table 7.2 minus 1,310) households which would remain to be accommodated in the public sector by 2017 if the scenario in Table 7.3 was to materialise. **This residual need will need to be met by other supply options including RAS provision and leasing.**

In this regard it is likely that a substantial proportion of this residual need will likely be allocated to areas within the City Environs, where the form and quantum of family type rental accommodation appears to be more appropriate than in the City area.

However as the location of units likely to come forward over the period of the Strategy under RAS, RS and leasing is not yet known although is already predetermined, there needs to be a willingness on behalf of Limerick County and the remainder of Clare (excluding the part in the Gateway) to help address the outstanding requirement above and thus the tenure rebalance by collaborative means. **It is the recommendation of the Housing Strategy that the approach to removing this overall residual deficit should be more evenly distributed throughout Limerick and Clare, so as to bring a final housing mix and tenure consistency across the entire subject area.**

On the other hand it is important to note that the direct intervention into the City area of significant new non-social housing as part of the Regeneration Programme (2,000 units) will contribute an absolute improvement in the wider tenure mix for those areas and thus for the City overall.

These are ambitious targets and especially within the current challenging economic circumstance they will need to be monitored by means of Management and Implementation procedures to be instituted jointly by the participating local authorities and the Regeneration Agencies. The role of management is addressed in the next Section which sets out a workable solution for overseeing the implementation of the Joint Housing Strategy

7.4 Implications for the Housing Strategy

The overriding conclusion for the above analysis is the substantial backlog of public housing which remained to be accommodated at the end of 2009, with an estimated 7,067 households in need of housing across Limerick and Clare of which almost 3,000 were on the social and affordable housing lists in Limerick City. The vast majority of these households are likely to be accommodated in units which are already constructed, giving the funding constraints for new build. **This implies that where you accommodate social housing over the lifetime of the Strategy is almost pre-determined.**

The analysis above concludes that the projected housing supply across the local authorities over the period of the Strategy will not be sufficient to address the social and affordable housing backlog, before taking into account the growth in new households. Limerick City accounts for 42% of the total backlog across Limerick and Clare but only plans to supply 24% of the total projected supply across Limerick and Clare.

After taking account of the growth in new households which are expected to experience affordability problems or become unemployed, the **total combined deficit across Limerick and Clare is projected at 5,639 households, which will remain to be accommodated by means other than the supply projected by the local authorities (3,481) or will remain to be accommodated at the end of the Strategy period.**

The overall demand for housing is determined by the growth in new households, projected at 9,348 in the Limerick/Shannon Gateway and 20,089 across Limerick and Clare. The vast majority of these households can meet their own housing needs. Based on a scenario which assumes that supply comes forward via the stock of vacant units or from the new build

sector, the level of new build subject to Part V is ascertained. The total Part V provision is estimated at 1,310 units.

The Part V provision in the Limerick/Shannon Gateway is estimated at 471 units of which 77 are provided in Limerick City, 188 in the City Environs and 206 in Shannon and the Limerick City Environs part that is in Clare.

This supply of 1,310 units implies that the public sector gap of 5,639 will be reduced to a deficit of 4,329 households which will remain to be accommodated by 2017 unless further supply options comes forward under the RAS or leasing initiatives.

It is the recommendation of the Housing Strategy that the approach to removing this overall residual deficit should be more evenly distributed throughout Limerick and Clare so as to bring a final housing mix and tenure consistency across the entire subject area.

Key issues

The Leasing Initiative, which is now Government policy, must play an important role in addressing the public housing backlog in Limerick and Clare over the period of the Strategy. The Housing Strategy supports Leasing as a cost effective solution for addressing social housing need in the medium-term.

An effort should be made to ascertain the true extent of the vacant stock of completed dwellings available for occupation across Limerick and Clare and where it is located.

It is also likely to be the case that there will be no need for affordable housing until such time as the stock of unsold housing is cleared and until the situation arises again whereby average house price inflation increases well in excess of average incomes.

To the extent that there is new build, there will be a Part V requirement to be met to address the social housing deficit. It is recommended that the **maximum of 20% of the land zoned for residential use be reserved for the provision of social housing in Limerick County and Clare**. Given the overriding aim of the Strategy to address the overall social mix balance, it is recommended that the **percentage of land zoned for residential use be set at 15% in the City, excluding the Regeneration Areas**.

There will be flexibility to alter these percentages in the case of planning permissions where a Local Authority confirms an inappropriate balance of housing tenure already exists within a community, in which case an off-site provision of housing or for payment of monies in lieu can be provided instead.

8. Principles, Policies, Management & Implementation Issues

This section sets out the key principles and policies that underpin the Housing Strategy, based on the preceding comprehensive analysis of housing needs and the associated assessment of demand and supply. Working within the relevant provisions of Part V of the Planning & Development Act 2000 (as amended) and the overall objectives of the Housing Strategy (below) a number of key policies and management proposals are set out.

Firstly, following from the analysis conducted and issues reviewed for the Housing Strategy, the following key principles inform the Joint Housing Strategy.

- (1) To enable every household in Limerick and Clare to have available an affordable dwelling of good quality, suited to its needs in a good environment and as far as possible at the tenure of its choice.*
- (2) To promote balanced and sustainable communities by transformation of the income and tenure mix in the urban area and specifically to begin the full implementation of the Regeneration Programme.*
- (3) To work to deliver the population targets and population distributions set out in the MWRA Regional Planning Guidelines, which support the settlement hierarchy of the Limerick/Shannon Gateway, followed by the key towns as the primary locations for development, including economic development.*

8.1 Key Policies

Following from the analysis conducted and issues reviewed for the Housing Strategy, the following policies are included in the Strategy.

Policy 1

The respective Local Authorities will pursue pro-actively the range of options for housing provision, including direct new stock acquisition/build; promotion of the leasing initiative; expansion of the Rental Accommodation Scheme; and utilisation of Part V commitments for social housing.

Policy 2

The respective Local Authorities will support in full the ongoing measures and objectives for delivery of the Limerick Regeneration Programme.

Policy 3

The respective local authorities will take proactive actions to secure the population targets and distributions as set out in the Regional Planning Guidelines (MWRA).

In this regard each local authority is to evaluate all settlement lands in their functional area and propose a policy framework for the development of these lands that supports the population targets.

Policy 4

In the interest of counteracting undue social segregation, the respective Local Authorities will ensure that an appropriate balance between incomes, social, affordable and private (including private rented) housing is provided within communities.

The assessment of appropriate balance will require survey and monitoring of definable districts / communities within each of the respective Authority areas.

Decisions on leasing take up, RAS and on Part V percentage ratios on specific sites will be based on the existing housing profile and needs of the area.

With specific reference to Part V, social housing delivery on foot of a planning permission may provide for off-site provision of housing or for payment of monies in lieu, where the survey findings of the Local Authority confirm that an inappropriate balance of housing and /or income tenure already exists within a community.

Policy 5

In accordance with Part V of the Planning and Development Act 2000 as amended, Limerick County Council and Clare County Council will require 20% of all land zoned for residential uses (or for a mixture of residential and other uses) including designated settlement lands to be reserved for the purpose of social housing. The preferred form for meeting the requirement shall be by way of direct on site provision unless otherwise agreed by the Joint Housing Strategy Management Group.

Limerick City Council will generally require a maximum of 15% of all land zoned for residential uses (or for a mixture of residential and other uses) to be reserved for the purpose of social housing. This requirement will not apply to development within the Regeneration Areas or where it is considered, in the interest of achieving the population targets as set out by the MWRA, not to be appropriate.

Policy 6

The respective Local Authorities will support the development of housing for people with special housing needs and for members of the travelling community and will continue to support the input and contribution to housing provision from the voluntary housing sector.

Policy 7

The respective Local Authorities will promote best practice and innovation with regard to ongoing management and maintenance of all social housing stock and associated public realm.

Policy 8

The respective Local Authorities consider that successful delivery of the Joint Housing Strategy will require ongoing co-operation between the various local authorities, the Regeneration agencies and other key stakeholders and will work together to ensure the successful delivery of the Strategy.

In this regard a Joint Housing Strategy Management Group will be established to oversee the implementation of the Strategy. This Group shall be established within 1 month of the adoption of this Strategy by the respective local authorities.

Policy 9

The Joint Housing Strategy should be updated within two years having regard to progress made in achieving the objectives set out in the Strategy and changes in the key factors underpinning the Strategy, namely population and income.

Policy 10

All planning applications for 10 dwellings or more shall be subject to a justification test. The purpose of the justification test is to establish the possible impact of the proposal on the achievement of the population targets, in particular the concentration of population growth in the Gateway and the implementation of the Regeneration Programme.

8.2 Joint Housing Strategy – Key Proposals for Management

This Joint Housing Strategy for the administrative areas of Limerick and Clare replaces the previous individual strategies for each local authority area. To give effect to the Strategy the respective development plans will have to be amended to include this Strategy.

The key proposals for the joint management approach envisage that the Local Authorities and the Regeneration Agencies will work together to deliver on the objectives of this strategy namely:

- (1) To enable every household in Limerick and Clare to have available an affordable dwelling of good quality, suited to its needs in a good environment and as far as possible at the tenure of its choice.*
- (2) To promote balanced and sustainable communities by transformation of the income and tenure mix in the urban area and specifically to begin the full implementation of the Regeneration Programme.*
- (3) To work to deliver the population targets and population distributions set out in the MWRA Regional Planning Guidelines, which support the settlement hierarchy of the Limerick/Shannon Gateway, followed by the key towns as the primary locations for development, including economic development.*

The Housing Strategy Management Group shall be comprised of the Directors of Services for Housing and Planning for the three local authorities, a representative of the DEHLG, a Director / CEO from the Regeneration Agencies and the Director of the MWRA.

To ensure the success of the joint management approach, it is essential that basic housing statistics are shared between the three local authorities. These statistics include:

- Existing numbers of eligible persons (for social and affordable and other housing supply measures).
- Existing household size and age profile of eligible persons.
- Current address and accommodation type and condition of eligible persons.
- Existing income levels of eligible persons.
- An estimate of the baseline tenure mix within established locations and a monitoring of the rate of change over the course of the Housing Strategy.
- The location of all permitted residential development and under construction development.
- Details of all residential proposals.

Agree shared research exercises

In seeking to ensure that an appropriate balance is maintained between the different housing tenures and incomes within established communities, the local authorities and the Regeneration Agencies will produce an estimate of the baseline tenure mix within established locations and monitor the rate of change over the course of the Housing Strategy.

This will assist the local authorities in meeting the objective as set out in Section 94(3)(d) of the Planning & Environment Act 2000-2009, for the Housing Strategy to take account of, *'the need to counteract undue segregation in housing between persons of different social backgrounds'*.

The research will also assist in providing a focus for cross boundary decisions on specialist accommodation, such as for elderly, persons with disability etc. This will allow for consistency with Section 94(3)(c) of the Planning & Development Act 2000-2009, to take into account, *'the need to ensure that a mixture of house types and sizes is developed to reasonably match the requirements of the different categories of households,... and including the special requirements of elderly persons and persons with disabilities.'*

Shared approach to future housing supply

The likely change in emphasis over the early part of the Housing Strategy period, from the provision of new social housing stock through new construction or via the Part V process, to a greater role for Rent Supplement assistance and/or the Leasing Initiative, means that the needs of eligible persons may be focused more strongly on the utilisation of existing accommodation stock, both the existing rental sector and/or existing houses brought into a new role such as leasing.

In this regard the Housing Authorities will form an agreed policy position on the operation and implications of the various Social Housing supply options. This will include a cross referencing of the anticipated volume of households who are likely to require Rent Supplement with up to date accounting of available private rental stock (by location and type) within each of the authority areas. This will require the co-operation and assistance of the Private Residential Tenancies Board (PRTB) and the HSE.

The local authorities will require the involvement of the Department of Social Protection and the HSE in order to ascertain the status of the Rent Supplement scheme and the numbers qualifying for it.

Monitoring

To ensure successful implementation of this Housing Strategy, it is important that all new residential development takes into account the targets specified in this report. Priority shall be given firstly to developments which facilitate the Limerick Regeneration Programme 2009-2018 and subsequently to development which meet the population targets for the Limerick / Shannon Gateway and the Ennis Hub, as specified by the Department of the Environment, Heritage and Local Government and set out in the Mid West Regional Planning Guidelines.

The Joint Housing Strategy Management Group will monitor the level of development going forward and agree an implementation / phasing plan for future development in the area, taking into account issues such as:

- the recommendations of this Strategy regarding social concentration and tenure,
- the level of progress being made on the Limerick Regeneration Programme,
- the location, and size of proposed developments, and
- existing permissions granted in the area not yet taken up.

8.3 Barriers to Implementation of the Strategy

A significant potential barrier to the implementation of the Strategy is the continued uncertainty over the general economic environment, and the direct consequence for housing funding, both in terms of direct provision by the State or related bodies and the availability of mortgage credit to the private market.

The greater focus on supply mechanisms other than new build implies that where demand is accommodated is almost predetermined. This emphasises the need for a joint approach by the local authorities, including the regeneration agencies, and the importance of the joint management system in ensuring that demand is efficiently accommodated and the objectives of the Strategy are met by means of a workable solution where full information is available on the housing market across Limerick and Clare.

Appendices

The following Appendices provide supporting background information and analysis assembled during the course of preparing the Joint Housing Strategy.

[Appendix 1: Housing Strategy in Context](#)

This Appendix provides under which an outline of relevant policy statements on housing and sustainability which are relevant to the provision of housing in a manner consistent with the best use of available infrastructure (including land). It also provides background information on the conditions for exemptions to Part V.

[Appendix 2: Review of Population Trends in Limerick and Clare](#)

This Appendix provides historical information on the growth in population in Limerick and Clare over the period 1996-2006.

[Appendix 3: Housing Interventions and Social and Affordable Housing Provision in Limerick and Clare](#)

This Appendix provides an outline of the range of public housing interventions and supports which exist in the housing market and reviews social and affordable housing provision in Limerick and Clare over the five years to 2008.

[Appendix 4: Distribution of Households Incomes in Limerick and Clare](#)

This Appendix contains detailed workings of the Housing Strategy model in regard to the distribution of household disposable incomes across the population of Limerick and Clare. This income data is then used to ascertain the numbers of households likely to experience housing affordability data over the period of the Strategy based on assumptions about trends in house prices and disposable incomes (set out in Section 6).

[Appendix 5: Projected Housing Demand in Limerick and Clare based on New Household Formation](#)

This Appendix sets out indicative estimates for the projected household formation and housing requirement for Limerick (City, City Environs and Rest of County) and Clare (split between Clare County, Ennis Town and Kilrush Town) over the Strategy period 2010-2017, based on the projection for new households, which have been derived from the population targets.

[Appendix 6: Key Assumptions used in the Housing Strategy](#)

Appendix 1: Housing Strategy in Context

This Appendix provides under which an outline of relevant policy statements on housing and sustainability which are relevant to the provision of housing in a manner consistent with the best use of available infrastructure (including land). It also provides background information on the conditions for exemptions to Part V.

A1.1 Dept. of the Environment, Heritage and Local Government Guidelines

In November 2006, the DEHLG issued guidelines by circular letter to local authorities, which detailed updated guidelines on a number of implementation issues of Part V of the Planning and Development Acts 2000-2006. Guidance was also issued on the standardised process for the sale of affordable homes directly by developers/builders to applicants nominated by local authorities.

Each participant of this Housing Strategy is committed to engaging with developers in a proactive manner to reach agreement of the social/affordable housing requirement. All Local Authorities will continue to use this 'quick sales' approach, as instructed, as it results in significant administrative savings and a quicker and more effective delivery process. They will continue to monitor and re-evaluate the position of all residential developments, in the light of the current economic climate, where a Part V legal obligation applies.

A1.2 Housing (Miscellaneous Provisions) Act 2009

This Act will improve housing services and their delivery, by giving effect to the programme of social housing reform measures. The Housing (Miscellaneous Provisions) Act 2009 amends and extends the Housing Acts 1966 to 2004 to provide Local Authorities with a framework for a more strategic approach to the delivery and management of housing services.

The framework provides for the adoption of housing services plans, homelessness action plans and anti-social behaviour strategies: for new, more objective methods of assessing the need and allocating housing and for a more effective management and control regime covering tenancies and rents. The framework also involves a more developed legislative basis for the provision of rented social housing by means of leasing or contract arrangements with private accommodation providers, and expanded opportunities for home ownership by lower-income households through an incremental purchase scheme and a tenant purchase scheme for apartments. The Act also introduces an equity based approach to the recovery of discounts granted by housing authorities to affordable housing purchases. The 2009 Act also makes a number of amendments to the Residential Tenancies Act 2004.

A1.3 Sustainability and Infrastructure

In determining the role of housing in the best utilisation of existing and proposed infrastructure the key areas examined are: policy on sustainability; integration of land use and transportation; alignment of Housing Strategy with the provisions on population growth and spatial allocation, as set out in the Mid-West Regional Planning Guidelines 2010-2022.

The key policy statements on sustainability which are relevant to the provision of housing in a manner consistent with the best use of available infrastructure (including land) are set out below.

Making Ireland's Development Sustainable 2002

Making Ireland's Development Sustainable sets out policy priorities in relation to sustainable development and states that, from the point of view of strategic spatial planning, sustainable development will, among other things, mean:

- maximising access to and encouraging use of public transport, cycling and walking;
- developing sustainable urban and rural settlement patterns and communities to reduce distance from employment, services and leisure facilities and to make better use of existing and future investments in public services, including public transport;
- promoting cost-effective provision of public services like roads, drainage, waste management facilities, lighting, public amenities and schools;
- contributing to the evolution of socially integrated communities in both urban and rural areas;
- minimising the consumption of non-renewable resources like soils, groundwater and agricultural land;
- avoiding adverse impacts on environmental features such as landscapes, habitats and protected species, river catchments, the maritime environment and the cultural heritage;
- ensuring that construction design is of a high quality and appropriate to the scale and context of its surroundings.

Sustainable Residential Development in Urban Areas 2008

The aim of these guidelines is to set out the key planning principles which should be reflected in development plans and local area plans, and which should guide the preparation and assessment of planning applications for residential development in urban areas.

This document gives guidance on where new residential development would be appropriate and at what density. In this regard the guidelines specifically state:

Sequential approach

When land is zoned in a development plan without the benefit of a more detailed local area plan designation, the development plan should identify where practicable the sequential and co-ordinated manner in which zoned lands will be developed, so as to avoid a haphazard and costly approach to the provision of social and physical infrastructure. The sequential approach as set out in the Department's Development Plan Guidelines (DEHLG, 2007) specifies that zoning shall extend outwards from the centre of an urban area, with undeveloped lands closest to the core and public transport routes being given preference, encouraging infill opportunities, and that areas to be zoned shall be contiguous to existing zoned development lands and that any exception must be clearly justified in the written statement of the development plan.

In relation to cities and larger towns the guidelines state:

‘The increase of population within city or town centres with their range of employment, recreation, educational, commercial and retail uses can help to curtail travel demand; therefore, these locations have the greatest potential for the creation of sustainable patterns of development. Increasing populations in these locations can assist in urban regeneration, make more intensive use of existing infrastructure, support local services and employment, encourage affordable housing provision and sustain alternative modes of travel such as walking, cycling and public transport. While a mix of residential and other uses will often be desirable in city and town centres, particular care is needed to ensure that residential amenity is protected. The infilling of “gap” sites will also contribute to the improvement of the architectural form’.

In order to maximise inner town and city population growth, there should, according to the guidelines, be no upper limit on the number of dwellings that may be provided within any town or city centre site, subject to the following safeguards:

- compliance with the policies and standards of public and private open space
- adopted by development plans
- avoidance of undue adverse impact on the amenities of existing or future adjoining neighbours
- good internal space standards of development
- conformity with any vision of the urban form of the town or city as expressed
- in development plans, particularly in relation to height or massing, there should be a recognition of the desirability of preserving protected buildings and their settings and of preserving or enhancing the character or appearance of an Architectural Conservation Area; and compliance with plot ratio and site coverage standards adopted in development plans.

‘Brownfield’ sites (within city or town centres):

‘Brownfield’ lands, which may be defined as “any land which has been subjected to building, engineering or other operations, excluding temporary uses or urban green spaces”, generally comprise redundant industrial lands or docks but may also include former barracks, hospitals or even occasionally obsolete housing areas. Where such significant sites exist and, in particular, are close to existing or future public transport corridors, the opportunity for their re-development to higher densities, subject to the safeguards expressed above or in accordance with local area plans, should be promoted.

Inner suburban / infill:

The provision of additional dwellings within inner suburban areas of towns or cities, proximate to existing or due to be improved public transport corridors, has the potential for revitalising areas by utilising the capacity of existing social and physical infrastructure. Such development can be provided either by infill or by sub-division:

(i) Infill residential development

Potential sites may range from small gap infill, unused or derelict land and backland areas, up to larger residual sites or sites assembled from a multiplicity of ownerships. In residential areas whose character is established by their density or architectural form, a balance has to be struck between the reasonable protection of the amenities and privacy of adjoining

dwelling, the protection of established character and the need to provide residential infill. The local area plan should set out the planning authority's views with regard to the range of densities acceptable within the area. The design approach should be based on a recognition of the need to protect the amenities of directly adjoining neighbours and the general character of the area and its amenities, i.e. views, architectural quality, civic design etc. Local authority intervention may be needed to facilitate this type of infill development, in particular with regard to the provision of access to backlands.

Delivering Homes, Sustaining Communities 2007

Delivering Homes, Sustaining Communities re-iterates the key issue for Government policy in the private housing area as ensuring sufficiency of supply to meet demand. This relates to planning of housing supply and the promotion of policies that seek to deliver quality housing in attractive neighbourhoods.

The Strategy actively encourages the fulfilment of new households' aspirations to home ownership. It is important to offer choices in a more mobile and dynamic economy. The modernisation of the private rented sector is one component of developing tenure choice. This Strategy also notes the important role of the State in providing choices for those who cannot meet their own needs in the housing market. It is a fundamental aspect of this Strategy, that in planning for affordable and social housing, local authorities should seek to actively provide for integrated communities, delivering accommodation choices for a wide range of households. In this context, policies should encourage a sense of personal autonomy and responsibility that underpins good community participation. *Delivering Homes, Sustaining Communities* provides for a planned and concerted increase in investment in existing social housing over the coming years.

A1.4 Exemptions to Part V

There are certain conditions under which applicants may be exempt from Part V. This arises under the following conditions:

- If an applicant applies for planning permission for a development of 4 or fewer houses or a development on land of less than 0.1 hectare. The applicant may obtain an exemption certificate by applying to the planning authority (Section 97 of the Planning and Development Acts 2000-2002).
- The conversion of an existing building or the reconstruction of a building to create one or more dwellings provided that at least 50% of the external fabric is retained.
- If the houses are provided by an approved body for social/affordable housing.
- Carrying out works to an existing house.

Appendix 2: Review of Population Trends in Limerick and Clare

This Appendix provides historical information on the growth in population in Limerick and Clare over the period 1996-2006.

A2.1 Review of Population Trends in Limerick and Clare

In the latest Census, just over 52,500 were recorded as being resident in Limerick City while 131,516 people were resident in Limerick County. These figures for Limerick City and County are equivalent to **14.6%** and **36.4%** of the Mid West region respectively, with the entire population of County Limerick accounting for in excess of half (51%) of the region's overall population. Limerick City accounted for 1.2% and Limerick County represented 3.1% of the national total population in 2006.

At the last Census of population, carried out in April 2006, there were 110,950 persons recorded as being resident in Clare which equates to 31.7% of the Mid West region and 2.6% of the State total in 2006. Of this aggregate, 88,151 persons were within Clare County Council's administrative area. The remaining 20,142 and 2,657 persons resided in Ennis Town and Kilrush Town respectively.

A2.2 Boundary Adjustment March 2008

At the 2006 Census, Limerick City accounted for approximately 40% of the county's overall population, with the remaining 60% of the population residing within the boundary of Limerick County Council. In March 2008, Limerick City expanded its boundary by 1,020 hectares, thereby increasing the area, classified entirely as urban, by almost 50% to 3,055 hectares. **This adjustment meant that 7,251 people were transferred to the administrative area of Limerick City, as well as the 2,627 private households that were contained in the electoral district.**³⁵

A2.3 The components of population change

The population of Limerick increased in line with the overall increase for the State as a whole in the decade to 2006, while Clare grew marginally faster over the same period. This growth was due to both a natural increase in the population as well as an influx of migrants resulting from the growth in employment opportunities.

The two main factors that affect population figures are migration as well as the level of natural increase (the difference between births and deaths). The following table shows the contribution of natural increase and net migration to the annual average population growth rates in Limerick and Clare over the two latest inter-censal periods. The contribution of natural increase exceeds that of net migration in Limerick City over both periods, with the decline in the population almost wholly attributable to net outward migration over the period 2002-2006.

³⁵ This population is equivalent to the Electoral District of Limerick North Rural as per the Census of Population.

Table A2.1: Annual average % growth, Limerick City and County and Clare, 1996-2006

	Limerick City		Limerick County		Clare	
	1996-2002	2002-2006	1996-2002	2002-2006	1996-2002	2002-2006
Natural increase	0.6%	0.8%	0.6%	0.6%	0.5%	0.8%
Estimated net migration	0.0%	-1.5%	0.6%	1.4%	1.1%	1.0%
Total population	0.6%	-0.7%	1.2%	2.0%	1.6%	1.8%

Over the period 1996-2002, both natural increase and net migration in Limerick County increased at an annual average growth rate of 0.6%. With the growth rate of natural increase remaining at 0.6% for 2002-2006, the annual average growth of net inward migration more than doubled to 1.4%.

Clare benefited from net inward migration during the latest two inter-censal periods with migration contributing more to the population than natural increase during both periods. While the rate of natural increase was 0.5% in 1996-2002 and 0.8% in 2002-2006, the rate of net migration in 1996-2002 was higher at 1.1%, falling slightly to 1.0% in 2002-2006.

The increases in population from net inward migration in Limerick County and Clare over the period 1996-2006 can be attributed to the increase in employment opportunities during this period. However, the changed economic realities since then have resulted in reduced immigration rates, with the likelihood that increased outward migration may feature over the coming years. These circumstances have inevitably influenced the population projections over the Strategy period.

A2.4 Disaggregated growth within Limerick

Overall Limerick's population grew extremely rapidly in the decade to 2006. Limerick County increased its population by approximately 18,500 over the period 1996-2006. However, with growth in Limerick City almost stagnant, its environs proved much more popular in attracting people. Limerick City grew by just 1.0% in the decade to 2006, while Limerick City Environs grew by 44.4 % over the same timeframe.

Within Limerick County, the population of several Electoral Districts (ED's) such as Patrickswell and Castleconnell recorded population declines between 1996 and 2006 despite the overall growth of 16.4%. Other ED's such as Abbeyfeale, Ballyvarra, Ballybricken, Ballysimon and Newcastle experienced double digit growth rates and accounted for much of the 'aggregated urban area' growth in Limerick County which increased its share by over 4% between 1996 and 2006.

Table A2.2: Location of population growth in Limerick City and County, 1996-2006

	1996	% growth 96-02	2002	% growth 02-06	2006	Total % growth 96-06
Limerick County and City	165,042	6.2%	175,304	5.0%	184,055	11.5%
Limerick City	52,039	3.8%	54,023	-2.7%	52,539	1.0%
Limerick County	113,003	7.3%	121,281	8.4%	131,516	16.4%
Limerick City Environs*	23,690	22.9%	29,124	17.4%	34,197	44.4%

* Historic figures for Limerick City Environs are not adjusted for the 2008 boundary adjustment.

According to the Table above:

- The population of **Limerick City** grew by 1% in the decade from 1996-2006, made up of an increase of 3.8% between 1996 and 2002 and a decline of 2.7% between 2002 and 2006.
- The population of **Limerick City environs**³⁶ grew by 44.4% in the decade from 1996-2006, which is equivalent to an annual average growth rate of 3.7%.
- The population of **Limerick County** grew by 16.4% in the decade from 1996-2006 or by 1.5% on average per annum, with numbers growing fastest at 8.4% in the period 2002-2006 compared with 7.3% in the period 1996-2002.

The experience in Limerick over the past decade has predominantly reflected national trends – with minimal population growth within Limerick City but with population growth largely occurring on the periphery of urban settlements. One of the major drivers of this pattern of population growth has been the affordability difficulties faced by those attempting to enter the housing market during the boom years. The end of the housing boom may generate a reversal in these trends.

A2.5 Disaggregated growth within Clare

Clare also recorded a notable increase in population levels from 1996-2006, with those residing in Clare County having increased by more than 12,000 in 2006 over the decade or by almost 16%. The area covered by Ennis Town Council³⁷ experienced the fastest growth in population having jumped by 4,809 over the decade - an increase of 31.4%. By contrast, the growth in Kilrush was a modest 3.6% (93 persons) over the decade.

Table A2.3: Location of population growth in Clare, 1996-2006

	1996	% growth 96-02	2002	% growth 02-06	2006	Total % growth 96-06
Clare County Council*	76,109	+7.4%	81,748	+7.8%	88,151	+15.8%
Kilrush Town	2,564	+5.3%	2,699	-1.6%	2,657	+3.6%
Ennis Town	15,333	+22.8%	18,830	+7.0%	20,142	31.4%
Total Clare	94,006	+9.9%	103,277	+7.4%	110,950	+18.0%

* This includes the environs of Ennis and Kilrush.

According to the Table above:

- The population of the administrative area covered by **Clare County Council's** Housing Authority grew by 15.8% in the decade from 1996-2006, which is equivalent to an annual average growth rate of 1.5%.

³⁶ The environs of Limerick City are comprised of parts of Ballycummin, Ballysimon, Ballyvarra, Limerick South Rural and Limerick North Rural, with Limerick North Rural moving into the City in 2008.

³⁷ Ennis Housing Authority is responsible for the following areas Ennis No. 1/2/3/4 Urban, and Parts of Ennis Rural, Spancelhill, Doora and Clareabbey.

- The population covered by the area of **Ennis Town Council's** Housing Authority grew by 31.4% in the decade from 1996-2006, made up of a substantial increase of 22.8% between 1996 and 2002 followed by a further increase of 7.0% between 2002 and 2006.
- The population of **Kilrush Town Council's** administrative area increased by 3.6% over the decade to 2006 despite recording a fall in numbers (-1.6%) over the period 2002-2006.
- Overall, the population of **Clare** grew by 18.0% in the decade from 1996-2006 or by 1.7% on average per annum, with numbers growing fastest at 9.9% during 1996-2002 compared with 7.4% in the period 2002-2006.

A2.6 Functional Areas within Limerick and Clare – population base in 2006

The functional areas within Clare and Limerick that are referred to in this report are set out on the next page. It is intended that these classifications will avoid any ambiguous interpretations that could otherwise arise. The population in each defined area for 2006 is provided, as well as the source from which this information was obtained. These classifications are used throughout the Joint Housing Strategy document.

Classification of the functional areas used in the Housing Strategy – by population in 2006

CLARE Population 2006

As per Census 2006

Clare: Entire County of Clare	110,950
Kilrush Town: Kilrush Town Council's administrative area	2,657
Ennis Town: Ennis Town Council's administrative area	20,142
Ennis Town and environs	24,252

As per MWRA RPG

SW Clare 2	16,736
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DKM calculation from above figures

Clare County Council admin area*	88,151
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LIMERICK Population 2006

As per Census 2006

Limerick: Entire County of Limerick	184,055
Limerick City: Limerick City Council's administrative area	59,790
Limerick County: Limerick County Council's administrative area	124,265
<i>of which</i> Limerick City Environs (before boundary adjustment)	34,197
Limerick City environs* (after boundary adjustment)	26,946

DKM calculation from above figures

Limerick County minus (Limerick City) environs	97,319
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* This is classified as Limerick South Rural and parts of Ballycummin, Ballysimon, Roxborough and Ballyvarra. This is part of Limerick County Council's administrative area.

*A specific classification as to the precise area that Clare County Council governed was not provided. As such, it has been worked out from the figures above by subtracting Ennis/Kilrush Town from the aggregate population figure provided by Clare. The area governed by Clare County Council includes Shannon Town, the environs of Ennis Town and the suburbs of Kilrush Town.

Clare part of the LIMERICK SHANNON GATEWAY Population 2006

MWRA

Clare (i.e. Shannon plus part of Limerick City Environs that are in Clare)**	13,243
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** The Clare part of the Gateway is comprised of Shannon Town (i.e. 9,222 people in 2006) and part of the Ballyglass Electoral District (i.e. 4,021 people in 2006).

Appendix 3: Housing Interventions and Social and Affordable Housing provision in Limerick and Clare

This Appendix provides an outline of the range of public housing interventions and supports which exist in the housing market and reviews trends in social and affordable housing supply across Limerick and Clare over the five years to 2008.

A3.1 Outline of existing policies

The overall objective of Irish housing policy is to “enable every household to have available an affordable dwelling of good quality, suited to its needs in a good environment and as far as possible at the tenure of its choice”³⁸.

The general thrust of housing policy is that those who can afford to house themselves from their own financial resources should provide for their housing needs, whether through home ownership or private rented accommodation (the private housing market), and that a range of targeted supports should be available to others having regard to the nature of their need (through the public housing system).

Over the past decade policy has been focused on increasing the overall supply of housing and improving access to home ownership for those persons who have been unable, due to escalating house price inflation, to provide their own housing needs in the private market. Within this, there has also been a focus on the first-time buyer.

Housing policy is based on a multi-stranded approach, involving various interventions and supports in the public housing market. The various public sector housing measures are summarised in Table A3.1. Local Authorities in both Limerick and Clare employ most, if not all, of these measures to assist those households who cannot meet their own housing needs.

Over the period to 2007 housing policy was focused on increasing the overall supply of housing and improving access to home ownership for those persons who were unable, due to escalating house price inflation, to provide their own housing needs in the private market. Within this, there was also been a focus on the first-time buyer. It was in such a climate that the concepts of Part V and Housing Strategies were developed. Housing Strategies now need to take account of the changed realities that have resulted from years of unsustainable growth in the property sector and consequently, a severe slow down in new house building

³⁸ See Housing Policy statement on www.environ.ie

Table A3.1: The Range of Public Interventions and Supports in the Housing Market

Measure 1: Local Authority Housing

Construction and acquisition of local authority dwellings
 Rental Accommodation Scheme
 Social Housing under 2000 and 2002 Planning Acts - Part V Schemes
 DEHLG Leasing Initiative (since 2009)

Measure 2: Voluntary Housing

Voluntary housing bodies provide housing for rent through
 - Capital Assistance Scheme
 - Capital Loan and Subsidy Scheme
 Social Housing under 2000 and 2002 Planning Acts - Part V Schemes
 Communal Facilities in Voluntary Housing
 DEHLG Leasing Initiative (since 2009)

Measure 3: Improving Access - Affordable Housing

Low cost sites to households approved for local authority or social housing
 Mortgage Allowance Scheme to ease transition from rent to mortgage.
 Tenant Purchase Scheme
 Local authority loans for households who cannot raise loans from financial institutions
 for purchases under the following schemes:
 - Shared Ownership
 - 1999 Affordable Housing Scheme
 - Affordable Housing under 2000 to 2004 Planning and Development Acts - Part V Schemes
 - Affordable Housing Initiative under Sustaining Progress
 Home Choice Loan for first-time buyers (January 2009)

Measure 4: Housing Stock Improvements

Local Authority maintenance and management of housing stock.
 Regeneration Schemes
 A central heating installation programme for the 30% of the LA stock without CH (since 2004)
 Housing Adaption Grant Scheme

Measure 5: Accommodation for Groups with Special Needs

Provision of traveller accommodation
 Accommodation services for homeless, elderly and those with special needs.

A3.2 Social Housing Activity

The next Table (A3.2) provides information on the number of households accommodated by the various social and affordable housing measures in Limerick and Clare in 2008. It excludes the number of households accommodated under Rent Supplement (RS). The latest figures suggest that 2,000 were in receipt of RS in Limerick City at the end of 2009. The corresponding figure for Limerick County is 1,500, while there were 1,986 in receipt of RS in Clare.

The DEHLG website www.environ.ie provides statistics on the extent of housing provision in Limerick City and County and Clare over the past five years. This is summarised for Limerick in Table A3.3 and for Clare in Table A3.4.

Table A3.2: Number of households accommodated by the various public housing measures in 2008				
Social Housing	Limerick County	Limerick City	Total Limerick	Total Clare
Local Authority houses				
Completions & acquisitions (including Part V)	75	87	162	226
Rental Accommodation Scheme (RAS) new units	21	49	70	70
Total Local Authority provision	96	136	232	296
Voluntary & Co-operative houses				
Capital Assistance	16	28	44	4
Capital Loan & Subsidy	0	0	0	0
Part V	0	0	0	
Total Voluntary & Co-operative houses	16	28	44	4
Other Social Housing measures				
Vacancies in existing stock	51	61	112	57
Improvement works in lieu of re-housing	5	6	11	5
Extensions to local authority houses	0	8	8	3
Tenants transferring to RAS under arrangement with their existing landlords	54	44	98	75
Traveller Accommodation new units and Traveller Accommodation refurbished units	2	10	12	0
Total other Social Housing measures	112	129	241	140
Total number of households assisted through social housing measures	224	293	517	440
Affordable Housing:				
Shared Ownership	4	0	4	1
1999 Affordable Housing	0	18	18	25
Part V Affordable Housing / AHI	17	5	22	31
A.H.P. (sales completed by A.H.P.)	0	0	0	0
Total number of households assisted through Affordable Housing measures	21	23	44	57
Mortgage Allowance	11	12	23	8
Total provision of all Social and Affordable Housing measures	256	328	584	505

Source: Annual Housing Bulletin 2008, DEHLG, www.environ.ie

Table A3.3: Social Housing Statistics Limerick City and County

	2004	2005	2006	2007	2008
Local Authority Housing completions	85	151	126	136	104
County Council	53	89	107	90	64
City Council	32	62	19	46	40
Voluntary and Co-operative sector completions:	61	86	34	92	44
County Council	60	68	25	78	16
City Council	1	18	9	14	28
Total social housing completions	146	237	160	228	148
Acquisitions by Local Authority	41	42	44	153	58
County Council	15	17	16	35	11
City Council	26	25	28	118	47
Sales of LA houses	73	76	58	46	38
City Council	29	24	20	13	14
County Council	44	52	38	33	24
LA Stock of Rented Dwellings	4,855	4,639	4,680	4,715	N/A
County Council	1,673	1,701	1,813	1,898	N/A
City Council	3,182	2,938	2,867	2,817	N/A

Source: www.environ.ie**Table A3.4: Social Housing Statistics in Clare**

	2004	2005	2006	2007	2008	2009#
Local Authority Housing completions	19	112	96	74	203	26
Clare County Co.	13	111	48	37	91	26
Ennis T.C.	6	1	48	37	81	0
Kilrush T.C.	0	0	0	4	31	0
Voluntary and Co-operative sector completions:	25	39	30	24	4	N/A
Clare County Co.	25	39	30	24	4	N/A
Ennis T.C.	0	0	0	0	0	N/A
Kilrush T.C.	0	0	0	0	0	N/A
Total social housing completions	44	151	126	98	207	N/A
Acquisitions by Local Authority	53	37	18	38	23	5
Clare County Co.	38	26	11	21	18	5
Ennis T.C.	15	8	3	14	0	0
Kilrush T.C.	0	3	4	3	5	0
Sales of LA houses	44	32	25	23	12	2
LA Stock of Rented Dwellings	1,736	1,839	1,972	1,978	N/A	N/A
Clare County Co.	1,097	1,223	1,326	1,370	N/A	N/A
Ennis T.C.	469	457	489	456	N/A	N/A
Kilrush T.C.	170	159	157	152	N/A	N/A

Data for first six months of 2009.

Source: www.environ.ie

3.3 Affordable Housing Provision

The next Table provides information for the DEHLG website www.environ.ie on the total number of households assisted under the various affordable housing measures over the period 2004-2008 with some figures for the first six months of 2009.

Table A3.5: Affordable housing provision in Clare and Limerick

County Clare	2004	2005	2006	2007	2008	2009 #
Total households assisted under Affordable Housing measures	40	29	57	43	65	N/A
<i>of which</i>						
Shared Ownership	17	6	3	2	1	0
1999 Affordable Housing scheme	12	0	16	1	25	2
Part V acquisitions including Affordable Housing Initiative (AHI)	0	14	31	35	31	20
Other **	11	9	7	5	8	N/A
Limerick City	2004	2005	2006	2007	2008	2009 #
Total households assisted under Affordable Housing measures	4	11	19	17	31	N/A
<i>of which</i>						
Shared Ownership	2	4	6	3	0	0
1999 Affordable Housing scheme	0	0	0	7	18	0
Part V acquisitions including Affordable Housing Initiative (AHI)	0	0	6	3	5	0
Other **	2	7	7	4	8	N/A
Limerick County	2004	2005	2006	2007	2008	2009 #
Total households assisted under Affordable Housing measures	43	53	50	20	31	N/A
<i>of which</i>						
Shared Ownership	10	13	7	1	4	1
1999 Affordable Housing scheme	18	5	0	0	0	0
Part V acquisitions including Affordable Housing Initiative (AHI)	2	15	23	11	17	3
Other **	13	20	20	8	10	N/A
Total households assisted in Limerick City and County	47	64	69	37	62	N/A

Source: www.environ.ie

Data for first six months of 2009.

** The other category is the balance between the total households assisted (Row 1) as per the DEHLG website and the total for the categories shown in the Table.

The figures above suggest that around 234 households were assisted in Clare under the various affordable housing measures available over the period 2004-2008 while 279 households were assisted in Limerick City and Limerick County (82 in City and 197 in County) over the same period. The Part V/AHI contribution is quite low in both counties with only 111 households accommodated in Clare since 2004 compared with 14 households accommodated in Limerick City and 71 in Limerick County, according to data from the DEHLG website.

Appendix 4: Distribution of Household Incomes in Limerick and Clare

This Appendix contains detailed workings of the Housing Strategy model in regard to the distribution of household disposable incomes across the population of Limerick and Clare. This income data is then used to ascertain the numbers of households likely to experience housing affordability data over the period of the Strategy based on assumptions about trends in house prices and disposable incomes (set out in Section 6).

A4.1 House Prices and Distribution

The following table shows the distribution of transactions by house price value in Limerick and Clare.

Table A4.1: Value distribution of housing transactions in Limerick and Clare, 2008

Range	Limerick County	Limerick City	Limerick	Clare
<i>% of transactions by price band</i>				
Up to €140,000	4.3	3.2	4.0	2.3
€140,001 to €170,000	4.0	8.1	5.2	6.6
€170,001 to €200,000	11.6	12.4	11.8	13.1
€200,001 to €230,000	12.6	15.4	13.4	11.7
€230,001 to €260,000	14.4	14	14.5	15.8
€260,001 to €290,000	10.2	15.6	12.0	11.6
€290,001 to €320,000	9.8	10.4	9.8	9.3
€320,001 to €350,000	7.6	3.8	6.4	5.4
€350,001 to €380,000	5.1	3.2	4.4	4.7
Exceeding €380,000	20.2	13.8	18.6	19.6

Source: DEHLG

Interpreting the Income data for Limerick

The first income decile (i.e. the lowest earning 10% of households) in Limerick had on average an annual disposable income of €336 per week or less (€17,452 per annum or less) in 2007. Similarly the 10th income decile or highest earning 10% of households had an average weekly disposable income of €1,746 per week or more (€90,801 per annum or more) in 2007.

An adjustment has been made to the lower half of the income distribution based on the concern that survey data (such as the EU-SILC data) will generally underestimate people's true income levels, as people tend to understate their incomes when asked. In order to adjust for this tendency, data on expenditure from the latest Household Budget Survey (HBS) from 2004-05 was examined.

Interpreting the Income data for Clare

The first income decile (i.e. the lowest earning 10% of households) in Clare had on average an annual disposable income of €309 per week or less (€16,074 per annum or less) in 2007. Similarly the 10th income decile or highest earning 10% of households had an average weekly disposable income of €1,608 per week or more (€83,630 per annum or more) in 2007.

An adjustment has also been made to the lower half of the income distribution in Clare based on the concern that survey data (such as the EU-SILC data) will generally underestimate people's true income levels, as people tend to understate their incomes when asked. As with Limerick, data on expenditure from the latest Household Budget Survey (HBS 2004-05) was examined in order to adjust for this tendency in Clare.

Estimating the Distribution of Household Disposable Incomes in Limerick and Clare

Table A4.2 below shows the income levels of households across each 10% decile. The distribution of household disposable incomes is required in order to derive an estimate of the number of households who experience affordability problems at particular price bands.

The starting point is the income bands published by the CSO called the EU Survey of Income and Living Conditions (SILC). The most recent survey refers to the year 2007. This provides an income distribution for gross weekly disposable income in the State in 2007. With data on disposable incomes required, it is therefore necessary to adjust the gross weekly income distribution from the EU-SILC data, using an estimate for the % difference between gross and disposable income, calculated from data included in the same publication (the results of this adjustment are shown in Column 4 of Table A4.2).

The next step is to convert the weekly income deciles into annual income deciles which is obtained very simply by multiplying by 52 (result is Column 5 in the table). Having derived an income distribution for annual disposable income for the State, it is then possible to calculate income levels for Limerick. A multiplier is applied to the State income distribution to reflect the difference between average incomes in the State and Limerick. The multiplier used is calculated using data from the CSO's County Incomes and Regional GDP release.

Table A4.2: Estimated Distribution of Household Disposable Incomes in County Limerick

Income Range	State Gross Weekly Income (EU-SILC Survey, 2007)	No. of Households In each Category In Survey (adjusted)	% of Households in each Category	State weekly disposable income 2007 €	State Average Annual Disposable Income 2007 €	Limerick Deflator for 2007 101.3%	Limerick Average Annual Disposable Income 2007 €	Adjusting For survey Understating Income At lower Incomes*	Number of Households 64,225 2006
Column	1 €	2	3	4	5	6	7	8	9
1st Decile	<245.93	560	10%	<242.55	<12,613	101.3%	<12,777	<17,452*	6,423
2nd	<388.26	560	10%	<382.03	<19,865	101.3%	<20,124	<25,037*	6,423
3rd	<499.99	560	10%	<487.38	<25,344	101.3%	<25,673	<29,560*	6,423
4th	<666.90	560	10%	<628.01	<32,656	101.3%	<33,081	<37,943*	6,423
5th	<863.10	560	10%	<774.42	<40,270	101.3%	<40,793	<43,625*	6,423
6th	<1,096.59	560	10%	<937.34	<48,742	101.3%	<49,375	<49,375	6,423
7th	<1,351.09	560	10%	<1,119.56	<58,217	101.3%	<58,974	<58,974	6,423
8th	<1,738.04	560	10%	<1,375.13	<71,507	101.3%	<72,436	<72,436	6,423
9th	<2,288.90	560	10%	<1,723.77	<89,636	101.3%	<90,801	<90,801	6,423
10th	>2,288.90	560	10%	>1,723.77	>89,636	101.3%	>90,801	>90,801	6,423
Total		5,600							64,225

Source: CSO and DKM calculations

Note: Data on income distributions from the EU-SILC and HBS surveys use income deciles to show the distribution of income across the population. The income deciles are constructed in such a way that 10% of households fall into each category or decile. Thus the EU-SILC data in Column 1 above indicates that the first decile or 10% of households surveyed earn €245.93 per week or less across the State as a whole. At the other end of the income spectrum, the 10th decile, or top 10% of households earn over €2,288.90 per week. The State figures are adjusted to derive disposable incomes for households in County Limerick (Column 8). Given that there were 64,225 households in Limerick in 2006, this implies that there were 6,423 households (10% of 64,225) in each income decile for County Limerick (Column 9).

Table A4.3: Estimated Distribution of Household Disposable Incomes in County Clare

Income Range	State Gross Weekly Income (EU-SILC Survey, 2007)	No. of Households In each Category (adjusted)	% of Households in each Category	State weekly disposable income 2007 €	State Average Annual Disposable Income 2007 €	Clare Deflator for 2007 93.3%	Clare Average Annual Disposable Income 2007 €	Adjusting For survey Understating Income At lower Incomes*	Number of Households 38,210 2006
Column	1 €	2	3	4	5	6	7	8	9
1st Decile	<245.93	560	10%	<242.55	<12,613	93.3%	<11,768	<16,074*	3,821
2nd	<388.26	560	10%	<382.03	<19,865	93.3%	<18,535	<23,060*	3,821
3rd	<499.99	560	10%	<487.38	<25,344	93.3%	<23,646	<27,226*	3,821
4th	<666.90	560	10%	<628.01	<32,656	93.3%	<30,469	<34,947*	3,821
5th	<863.10	560	10%	<774.42	<40,270	93.3%	<37,572	<40,180*	3,821
6th	<1,096.59	560	10%	<937.34	<48,742	93.3%	<45,476	<45,476	3,821
7th	<1,351.09	560	10%	<1,119.56	<58,217	93.3%	<54,317	<54,317	3,821
8th	<1,738.04	560	10%	<1,375.13	<71,507	93.3%	<66,716	<66,716	3,821
9th	<2,288.90	560	10%	<1,723.77	<89,636	93.3%	<83,630	<83,630	3,821
10th	>2,288.90	560	10%	>1,723.77	>89,636	93.3%	>83,630	>83,630	3,821
Total		5,600							38,210

Source: CSO and DKM calculations

Appendix 5: Projected Housing Demand across Limerick and Clare based on new household formation

This Appendix sets out the projected household formation and housing requirement for Limerick (City, City Environs and Rest of County³⁹) and Clare (split between Clare County, Ennis Town and Kilrush Town) over the Strategy period 2010-2017, based on the projection for new households, which have been derived from the population targets.

It is important to point out that the following tables, outlining the total projected requirement for housing provision across Limerick and Clare are indicative estimates only and are largely dependent on the population targets provided by the DEHLG and in the Mid-West Regional Planning Guidelines in 2009.

A5.1 Projected new households and the demand for housing

In ascertaining the provision for housing in Limerick and Clare, it is important to recognise the changed economic realities. Accordingly, the housing model has been amended to reflect the fact that a proportion of new households formed over the lifetime of the Strategy may become unemployed. This is a major flaw in the housing strategy model as it assumes that all new households are in employment and thus have an income. Accordingly the model only estimates the requirement for housing based on the 35% rule, i.e. if the monthly costs of servicing a mortgage for a given house price is greater than 35% of the applicant's after-tax income, then the applicant can be deemed to be eligible for affordable housing. It does not, however, take into account that some households may become unemployed over the Strategy period.

Thus the housing demand projections derived for both Limerick and Clare have been amended by assuming that 3% of all new households become unemployed over the period of the Strategy. The impact of unemployment on the existing population is taken into account by assuming that the existing social housing lists increase further over the period of the Strategy: by 20% per annum in Limerick City and by 10% per annum in Limerick County and in Clare.

The next set of Tables A5.1 to A5.9 set out the total housing demand, based on new household formation, across Limerick and Clare over the period 2010 to 2017. The corresponding projections for the Limerick/Shannon Gateway are contained in Section 7.

³⁹ The split between the City and the County is 32%:68%, based on the shares of the growth in the total population in the City and County over the period 2006-2017. Similarly, the split between the City Environs and the Rest of the County is 26%:74%, based also on shares of the growth in the total population in the City Environs and the Rest of the County over the same period.

**Table A5.1: Projected housing demand in areas served by LIMERICK Local Authorities
(as of February 2010)**

	2010	2011	2012	2013	2014	2015	2016	2017	Strategy period 2010-2017
Total Households	70,698	72,416	74,175	75,977	77,823	79,714	81,651	83,635	
Newly formed households	1,677	1,718	1,759	1,802	1,846	1,891	1,937	1,984	12,937
Households with affordability problems	96	95	96	87	76	75	76	78	583
New households that become unemployed	50	52	53	54	55	57	58	60	388
Households capable of meeting their own housing needs	1,531	1,571	1,611	1,661	1,715	1,759	1,803	1,847	11,966
Total Households Needing Assistance	146	147	149	141	131	131	134	137	971
% of Newly Formed Households	8.7%	8.5%	8.5%	7.8%	7.1%	6.9%	6.9%	6.9%	7.5%

**Table A5.2: Projected housing demand in areas served by Limerick CITY Local Authorities
(as of February 2010)**

	2010	2011	2012	2013	2014	2015	2016	2017	Strategy period 2010-2017
Newly formed households	545	558	572	585	600	614	629	644	4,203
Households with affordability problems	31	31	31	28	25	24	25	25	189
New households that become unemployed	16	17	17	18	18	18	19	19	126
Households capable of meeting their own housing needs	497	510	523	540	557	572	586	600	3,887
Total Households Needing Assistance	47	48	48	46	43	43	44	45	315
% of Newly Formed Households	8.7%	8.5%	8.5%	7.8%	7.1%	6.9%	6.9%	6.9%	7.5%

**Table A5.3: Projected housing demand in areas served by Limerick COUNTY Local Authorities
(as of February 2010)**

	2010	2011	2012	2013	2014	2015	2016	2017	Strategy period 2010-2017
Newly formed households	1,132	1,160	1,188	1,217	1,246	1,277	1,308	1,339	8,734
Households with affordability problems	65	64	65	59	51	50	51	53	393
New households that become unemployed	34	35	36	37	37	38	39	40	262
Households capable of meeting their own housing needs	1,034	1,061	1,088	1,121	1,158	1,188	1,217	1,247	8,079
Total Households Needing Assistance	98	99	100	95	89	89	91	93	655
% of Newly Formed Households	8.7%	8.5%	8.5%	7.8%	7.1%	6.9%	6.9%	6.9%	7.5%

**Table A5.4: Projected housing demand in areas served by Limerick CITY ENVIRONS only
(as of February 2010)**

	2010	2011	2012	2013	2014	2015	2016	2017	Strategy period 2010-2017
Newly formed households	293	300	307	315	322	330	338	346	2,258
Households with affordability problems	17	17	17	15	13	13	13	14	102
New households that become unemployed	9	9	9	9	10	10	10	10	68
Households capable of meeting their own housing needs	267	274	281	290	299	307	315	322	2,089
Total Households Needing Assistance	25	26	26	25	23	23	23	24	169
% of Newly Formed Households	8.7%	8.5%	8.5%	7.8%	7.1%	6.9%	6.9%	6.9%	7.5%

**Table A5.5: Projected housing demand in Rest of County (excluding City and Environs)
(as of February 2010)**

	2010	2011	2012	2013	2014	2015	2016	2017	Strategy period 2010-2017
Newly formed households	840	860	881	902	924	947	970	993	6,477
Households with affordability problems	48	48	48	44	38	37	38	39	292
New households that become unemployed	25	26	26	27	28	28	29	30	194
Households capable of meeting their own housing needs	767	786	806	832	858	881	902	924	5,991
Total Households Needing Assistance	73	73	74	71	66	66	67	69	486
% of Newly Formed Households	8.7%	8.5%	8.5%	7.8%	7.1%	6.9%	6.9%	6.9%	7.5%

**Table A5.6: Projected housing demand in areas served by Clare Local Authorities
(as of February 2010)**

	2010	2011	2012	2013	2014	2015	2016	2017	Strategy period 2010-2017
Total Households	41,817	42,771	43,747	44,745	45,765	46,809	47,877	48,969	
Newly formed households	933	954	976	998	1,021	1,044	1,068	1,092	7,152
Households with affordability problems	67	40	68	66	65	65	66	68	438
New households that become unemployed	28	29	29	30	31	31	32	33	215
Households capable of meeting their own housing needs	838	885	878	902	925	948	969	992	6,499
Total Households Needing Assistance	95	69	98	96	96	96	98	100	653
% of Newly Formed Households	10.2%	7.2%	10.0%	9.6%	9.4%	9.2%	9.2%	9.2%	9.1%

**Table A5.7: Projected housing demand in areas served by Clare County Council
(as of February 2010)**

	2010	2011	2012	2013	2014	2015	2016	2017	Strategy period 2010-2017
Newly formed households	660	675	690	706	722	738	755	772	5,058
Households with affordability problems	47	28	48	47	46	46	47	48	310
New households that become unemployed	20	20	21	21	22	22	23	23	152
Households capable of meeting their own housing needs	593	626	621	638	654	670	686	701	4,597
Total Households Needing Assistance	67	48	69	68	68	68	70	71	462
% of Newly Formed Households	10.2%	7.2%	10.0%	9.6%	9.4%	9.2%	9.2%	9.2%	9.1%

**Table A5.8: Projected housing demand in areas served by Ennis Town Council
(as of February 2010)**

	2010	2011	2012	2013	2014	2015	2016	2017	Strategy period 2010-2017
Newly formed households	233	239	244	250	255	261	267	273	1,790
Households with affordability problems	17	10	17	16	16	16	17	17	110
New households that become unemployed	7	7	7	7	8	8	8	8	54
Households capable of meeting their own housing needs	210	222	220	226	231	237	243	248	1,626
Total Households Needing Assistance	24	17	24	24	24	24	25	25	163
% of Newly Formed Households	10.2%	7.2%	10.0%	9.6%	9.4%	9.2%	9.2%	9.2%	9.1%

**Table A5.9: Projected housing demand in areas served by Kilrush Town Council
(as of February 2010)**

	2010	2011	2012	2013	2014	2015	2016	2017	Strategy period 2010-2017
Newly formed households	40	40	41	42	43	44	45	46	303
Households with affordability problems	3	2	3	3	3	3	3	3	19
New households that become unemployed	1	1	1	1	1	1	1	1	9
Households capable of meeting their own housing needs	36	38	37	38	39	40	41	42	276
Total Households Needing Assistance	4	3	4	4	4	4	4	4	28
% of Newly Formed Households	10.2%	7.2%	10.0%	9.6%	9.4%	9.2%	9.2%	9.2%	9.1%

Key assumptions: the assumptions used to calculate the above percentages are explained in the main points below.

The main points of note from the above Tables for **Limerick** are as follows:

- ✓ **The number of new households in Limerick is projected to increase by 12,937 between 2010 and 2017, of which 4,203 (32%) will reside in Limerick City and 8,734 (68%) in Limerick County. Within Limerick County, a total of 2,258 (26%) new households are expected to locate in the City Environs with the balance of 6,477 (74%) locating in the rest of Limerick County.**
- ✓ Based on the projection for new households and taking into account the proportion of those which may become unemployed over the Strategy period (assumed to be 3%), the percentage of new households expected to require assistance is an **average of 7.5%** in Limerick over the period. The reason for this low figure is the economic and housing climate which is expected to prevail over the Strategy period: average house prices are forecast to rise by 24% over the period while nominal incomes are projected to increase by 45%⁴⁰. In previous strategies the projected average house price increase would have been a multiple of the projected average income increase. Thus affordability is much less of a problem for new households now than it would have been in the past, notwithstanding the increase in unemployment. Moreover, the vast bulk of new households (**92.5%**) will be able to meet their own needs in the private market (owner occupied and private rented sectors).
- ✓ **The average of 7.5% reflects a total of 971 new households which are expected to need assistance with their housing needs over the lifetime of the Strategy:** 583 households expected to have affordability problems and a further 388 households expected to become unemployed over the lifetime of the Strategy. Of this figure, 315 are expected to reside in the City and 655 are expected to reside in the County. Of these 655 new households, 169 will reside in the City Environs and 486 in the Rest of the County.
- ✓ **This proportion (7.5%) remains unchanged across all areas.** This is because of the split assumed for households between Limerick City and County is a consistent 32%:68%, based on the proportion of the increase in population in each area during 2006-2017; and the split between the City Environs and the Rest of the County is 26%:74%, on the same basis. To assume some other arbitrary splits which might

⁴⁰ The basis for these assumptions is discussed in Section 6.

generate different percentage requirements across each area would be just speculative at this point, in the absence of other information.

The main points of note from the Tables for **Clare** are as follows:

- ✓ **The number of new households in Clare is projected to increase by 7,152 between 2010 and 2017, of which 5,058 (70.7%) will reside in the areas served by Clare County Council, 1,790 (25%) in Ennis Town and 303 (4.2%) in Kilrush Town.**
- ✓ Based on the projection for new households and taking into account the proportion of those which may become unemployed over the Strategy period (assumed to be 3%), the percentage of new households expected to require assistance is an **average of 9.1%** across Clare over the period. The reason this figure is higher than in Limerick is partially explained by incomes in Clare being lower than the State average (93.3%) while in Limerick income levels exceed the State average (103.3%). Also as is the case with Limerick, affordability is assumed to be much less of a problem for new households now than it would have been in the past, notwithstanding the increase in unemployment. Moreover, the vast bulk of new households (**90.9%**) will be able to meet their own needs in the private market (owner occupied and private rented sectors).
- ✓ **The average of 9.1% reflects a total of 653 new households which are expected to need assistance with their housing needs over the lifetime of the Strategy:** 438 households expected to have affordability problems and a further 215 households expected to become unemployed over the lifetime of the Strategy. Of this figure, 462 are expected to reside in Clare County Council's administrative area, and 163 are expected to reside in Ennis Town while the remaining 28 will be placed in Kilrush.
- ✓ **This proportion (9.1%) remains unchanged across all areas.** This is because of the split assumed for households between Clare County Council, Ennis Town Council and Kilrush Town Council is a consistent 71%:25%:4%, based on the proportion of the increase in population in each area during 2006-2017.
- ✓ The expected growth in new household formation should result in a resumption of house building across Limerick and Clare at some stage over the period of the Housing Strategy, as the vacant stock is worked through and as the economy recovers.

The overall figure of 20,089 households (12,937 in Limerick and 7,152 in Clare) for the number of persons expected to be able to meet their own housing needs in the private housing market is the figure used in Table 7.3 to ascertain how and where that demand is accommodated, based on the distribution of that supply over the strategy period.

Appendix 6: Key Assumptions used in the Housing Strategy

Targets for private households and forecast average household size

A key element of the Strategy is the projection of households over the Strategy period 2010-2017. This was carried out by factoring into account the CSO baseline figures for private households in 2006 as well as the population targets to 2017.

A key assumption in projecting the targets for private households (Table 3.6) was that the average household size (of private households) would fall in each local authority area between 2006-2017 by half the rate at which it fell in the decade to 2006.

Regeneration

The Regeneration Plan envisages 4,500 new-build private households in Limerick City under the Regeneration scheme over the period of their Plan, now extended to 2023. Due to anticipated delays in the delivery of the original programme, it is assumed over the period of the Strategy that 2,000 new private housing units will be provided by 2017, which will not be subject to Part V.

No new social housing units are assumed for the Regeneration Areas.

Affordable housing and assessment of affordable housing

For the purpose of assessing future housing affordability in Limerick and Clare over the period of the Strategy, it is important to have an idea of the most likely trends in future house prices as well as income levels going forward.

The projected growth in disposable income over the period of the Housing Strategy is based on:

- 1) ESRI December 2009 Quarterly Economic Commentary (to 2012)
- 2) ESRI Recovery Scenarios Paper (to 2015)
- 3) Growth rates of 7.2% are assumed for 2016 and 2017 (i.e. the ESRI rate in 2015).

With regard to future house prices, DKM have projected house price inflation of 24% over the nine year period 2009-2017 (2.7% on average per annum). While any growth in house prices seems unlikely in the short term, given the current climate, it is assumed that house prices start rising again in 2012, from which they will gradually increase through to 2017.

The projected growth in disposable income is available in Table 6.14 followed by projected house price inflation in Table 6.15.

Anticipated affordable housing need

As per the Model Housing Strategy, the projections in income/house prices then allows an estimate of the number of persons who cannot afford properties in each price band to be derived based on their income bands.

The key assumptions employed to ascertain the number of households who cannot expect to find housing provided by the market below their maximum affordable house price (i.e. based on allocating up to 35% of their net income to a mortgage) are as follows:

- Total mortgage loan to value ratio of 90%
- Mortgage interest rate of 3.5%
- Term of Loan 25 years
- Tax relief on mortgage interest is available, subject to a ceiling of €10,000 for a single first-time buyer and €20,000 for a married couple.

Tables 6.16 to 6.18 summarise the position with regard to the number of households who would need to spend more than 35% of their net income to purchase a property over the next five years (i.e. households with affordability problems).

As the Housing Strategy Model determines the numbers experiencing affordability problems based on assuming that all households are in employment and earning an income, the housing model here has been amended to reflect the changed economic circumstances:

- The social housing lists are projected to increase by 20% per annum in Limerick City and by 10% per annum in Limerick County and Clare.
- An estimated 3% of all new households are projected to become unemployed over the period of the Strategy.

Vacant stock

The current level of vacant stock (Table 4.6) is estimated from the 2006 Census figures taking account of the proportion of the national new build between 2006 and 2009 in Limerick and Clare and applying these proportions to the national estimate of new vacant stock as per the CIF (35,000) to derive the up to date estimate in Limerick and Clare.