



EXECUTIVE SUMMARY

This Housing Strategy 2008-2015 has been developed jointly by the three Local Authorities in County Offaly, namely Offaly County Council, Tullamore Town Council and Birr Town Council. It sets out the Local Authorities estimates of the current and future need for housing in Offaly up to 2015 and the capacity of the Local Authorities to meet this need, particularly through the amount of land zoned which is available for development. The Housing Strategy also identifies the number of new households likely to experience affordability difficulties in purchasing houses on the open market and other dimensions of policy required to achieve housing projections.

The Housing Strategy addresses three core challenges and priorities:

- To stimulate population growth in Tullamore in accordance with its identified role as part of the Midlands linked Gateway so that it can form part of the driver of development for the region as envisaged in the National Spatial Strategy (2002-2020) and Midland Regional Planning Guidelines (2004)
- To conserve, enhance and strengthen the town and village structure within the County
- To inform decisions on the management of growth patterns in accordance with the County's settlement hierarchy.

As an integral part of the Development Plans in Offaly, the Housing Strategy is central to achieving these strategic priorities, providing a framework to guide the future development of the County.

Assessment of Current and Future Need for Housing

The Midlands Regional Planning Guidelines project/'target' that the population in County Offaly will increase to c.94,000 by 2020. Assuming an even distribution of population growth over the period, this will mean that the **County's population is projected/targeted to increase to c.85,000 by 2015**. Recent evidence shows that activity levels in the Irish housing market are slowing compared to those of the past five years. In addition, the indicators for future activity suggest that housing output is likely to continue to slow down. The combination of declining average household size and increased population indicate that c.9,100 additional households will potentially be formed in County Offaly by 2015. This represents a decline in household formation from experience within the County between 2002 and 2006, with an average of 1,295 house completions per annum over that period. The Housing Strategy therefore assumes that the average rate of house completions over the period of the Housing Strategy will moderate from high levels experienced in the last decade.

Of the projected total additional households formed up to 2015, the Housing Strategy **projects that approximately 30% are likely to experience affordability problems** in buying houses on the open market i.e. they are likely to spend more than 35% of their annual income servicing a mortgage. While county incomes have been increasing, the main factor affecting access to the housing market has been house prices. The value distribution of houses has fundamentally shifted over the past five years within the County with a much smaller proportion of houses valued in the lower house price bands than previously.

In order to meet future demand for both social and affordable housing, the Authorities will reserve **20% of all lands zoned for residential use, or a mixture of residential and other uses, for social and affordable housing**. Given the estimated requirement for social and affordable housing across the county, the 20% intervention point will apply throughout the County. The allocation between social and affordable housing will be determined on a case-by-case basis depending on the identified social and affordable needs of the area within which the development is taking place and the specific features of the development.



Capacity to meet Future Housing Needs

In addition to assessing demand, the Housing Strategy also reviewed the capacity of the County, particularly in terms of available land zoned for residential development, to meet the projected demand for housing in Offaly.

The Housing Strategy concludes that projected housing demand can comfortably be accommodated within the existing available zoned land within the County, provided allowance is made for the addition of zoned lands within the Tullamore Town and Environs Development Plan.

As per the National Spatial Strategy (2002-2020) and the Midland Regional Planning Guidelines (2004), Tullamore is targeted to increase in population from 13,000 persons to 30,000 persons by 2020. Assuming a linear rate of growth per annum, this leads to a potential population of 21,500 in 2015. It is envisaged that this will provide the critical mass necessary to achieve the role identified for Tullamore as part of the Midlands linked Gateway, in conjunction with Athlone and Mullingar. However, it is accepted that significant additional zoned land is required to achieve this, coupled with achieving the objectives of the Indecon Report (Dec. 2006).

Tullamore Town Council therefore is currently (Oct 2007) examining its existing provisions relating to the availability of residential and a mixture of residential and other uses of land zoned in Tullamore and its Environs. Once a variation (and/or a full Review) to the Tullamore Town and Environs Development Plan 2004 has been adopted, it is envisaged that there will be adequate available zoned land to meet the entire housing needs of the County up to 2015 across the categories in the settlement hierarchy, that is, from Tullamore (part of the Midland Linked Gateway), through to the 'Large and Medium Towns', the 'Local Service Towns' and the 'Villages'. In addition, the 'sraids'¹ and open countryside will also play a role in housing supply. The Housing Strategy concludes that the extent of zoned land is sufficient to support the population growth needs of the County to 2015 and beyond, provided that the necessary provisions are made in Tullamore.

The balanced growth of the County requires that the attainment of critical mass in Tullamore be supported by appropriate levels of growth in the other settlements within the County. The existing zoned lands in the adopted statutory plans can support such a level of growth in the County once a proposed variation (and/or a full Review) of Tullamore is taken into account.

For the '**Large/Medium Towns**', significant zoned lands are available beyond their medium term needs. This is particularly the case for Birr and, both Edenderry and Clara have significant surplus lands in excess of their likely medium term requirements coupled with significant residential development over the past decade. Further surplus lands are available in each of the other towns.

The growth of a number of settlements, in particular Edenderry and Clara, has effectively 'front loaded' much of their envisaged level of residential growth projected to 2020 within the Regional Planning Guidelines. To restore the balance across the settlement hierarchy and ensure that the towns grow at a more long-term sustainable level, their population growth should be appropriately managed over the period of this Housing Strategy.

In the '**Local Service Town**' tier within the settlement hierarchy, each town can potentially support significant levels of growth without requiring additional zoned lands. However, a number of these towns currently have surplus zoned land that could potentially accommodate substantial populations beyond their medium term needs. As at 2007, Banagher, Ferbane and Kilcormac could potentially support quadruple their existing population based on the existing zoned lands.

¹ A 'sraid' is a small rural settlement which is suitable for moderate population and service provision growth over the medium to long term.



This is unsustainable within the timeframe of the Housing Strategy. Development Plans should seek to address and manage this situation and development management within these towns should seek to ensure that new housing is delivered sequentially to ensure the orderly growth of each town and that new growth is permitted only at a scale that can respect the towns' character.

A number of '**Villages**' have very significant areas of zoned land beyond their identified role in the County's settlement hierarchy and there is a need to ensure that these villages maintain their character in the interests of proper planning and sustainable development. These include the villages of Cloghan, Shinrone, Rhode and Ballinagar in particular, each of which has (at 2007) in excess of 30 hectares of residential zoned land. This issue will be examined in greater detail as part of the current review of the County Development Plan. The remaining identified villages within the County's settlement hierarchy have more moderate zoning levels, which still allow for significant population growth over the strategy period. Provisions are also made for redundancy i.e. more land zoned than necessary to allow for non-release of lands for development.

The Housing Strategy highlights potential pressure points within the County's settlement hierarchy and where action should be taken to maintain the existing relationship between settlements. The Strategy indicates a number of primary objectives to be followed in setting planning and housing policy for the period up to 2015 notably to:

- Ensure that Tullamore can support the required level of growth to underpin its role as part of the Midland's linked Gateway and driver of development within the County and Region as a whole
- Ensure balanced development across the County in accordance with the settlement hierarchy e.g. ensuring that Birr can act as a western counterpoint to the development pressure in the east of the County and that other towns will also attract moderate growth as per their role and carrying capacity
- Control the accelerating growth of the main settlements in the east of the County, particularly Edenderry and Portarlington
- Define the role and appropriate scale of Clara within the settlement hierarchy
- Conserve, enhance and strengthen the town and village structure within the County ensuring the appropriate scale of growth is supported.

Housing Policy

Achieving the Housing Strategy will have important policy implications for Offaly Local Authorities particularly in relation to:

1. Arrangements for concluding Part V agreements under the Planning and Development Acts 2000-2006
2. Achieving a more appropriate mix of house types and size to reflect changing profile of households
3. Developing a more targeted approach to meeting the needs of individuals with specific housing needs
4. Working in partnership with related service providers
5. Working in partnership with the voluntary and cooperative housing sector
6. Assuring quality of new build
7. Developing the potential of the Rental Accommodation Scheme (RAS) to increase housing supply
8. Managing the Local Authorities housing stock effectively
9. Promoting the Local Authorities affordable housing scheme.

The Housing Strategy takes account of national policy on housing in particular *Delivering Homes Sustaining Communities*. The ultimate aim of this statement on national housing policy, which is underlined in this Housing Strategy, 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'*.



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1. CONTEXT FOR THE HOUSING STRATEGY

1.1 PURPOSE OF THIS HOUSING STRATEGY

Under Part V of the Planning and Development Acts 2000-2006, each Planning Authority is required to prepare a Housing Strategy to ensure that the Development Plan *'provides for the housing of the existing and future population of the area...'*²

Offaly Local Authorities; namely Offaly County Council, Tullamore Town Council and Birr Town Council, jointly developed their first Housing Strategy 2001 and this was incorporated into their respective development plans by way of variation.³ The three Local Authorities having reviewed the first Housing Strategy have jointly developed a new Housing Strategy. This Housing Strategy covers the period 2008-2015 and will be incorporated into the Development Plans of the three Local Authorities.⁴

1.1.1 Legislative context of the Housing Strategy

Part V of the Planning and Development Acts 2000-2006⁵ requires Local Authorities to develop a Housing Strategy and incorporate it into their Development Plan(s).

In developing their Housing Strategies, Planning Authorities are obliged by statute to take account of:

- *The existing need and the likely future need for housing*
- *The need to ensure that housing is available for persons who have different levels of income*
- *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...including the special requirements of elderly persons and persons with disabilities*
- *The need to counteract undue segregation in housing between persons of different social backgrounds.*

Part V elaborates on what Planning Authorities need to consider in developing their Housing Strategies. They are required to:

- Estimate the demand for housing generally and also for certain categories of people such as those in need of social and affordable housing
- Ensure that they can implement the Housing Strategy through ensuring that sufficient land is zoned for development.

Local Authorities can reserve up to 20% of land zoned for residential or a mixture of residential and other uses for social and affordable housing. The precise intervention point depends on the projected need for social and affordable housing over the life of the Housing Strategy. While the concept of social housing is long-established, the legislation also introduced the concept of 'affordable' housing. The Act defines a person who is eligible for affordable housing as a person who is...

*'in need of accommodation and whose income would not be adequate to meet the payments on a mortgage for the purchase of a house to meet his or her accommodation needs because the payments calculated over the course of a year would exceed 35% of that person's annual income net of income tax and pay related social insurance.'*⁶

The Housing Strategy therefore must estimate the demand for affordable housing within County Offaly i.e. the number of people who are likely to experience affordability problems in buying their first home on the open market as defined by the legislation.

² Planning and Development Acts, 2000-2006, s.94. The Planning and Development Act 2000 was subsequently amended in 2002, a further amendment to section 99 was included in the Housing (Miscellaneous Provisions) Act 2004. The provisions relating to Part V were not affected by the Planning and Development Acts 2000-2006.

³ Section 94 (1)(e) makes provision for two or more Planning Authorities to prepare a joint Housing Strategy

⁴ The Local Authorities issued public notices in the local press inviting the public and interested organisations to make written submissions on the Housing Strategy. Consultations were also held with a number of relevant parties.

⁵ Planning and Development Acts 2000-2006

⁶ Planning and Development Acts 2000-2006, Section 93 (1)



1.2 POLICY CONTEXT UNDERPINNING THE HOUSING STRATEGY

1.2.1 National and Regional Strategic Framework

Since the adoption by the Offaly Local Authorities of the first joint Housing Strategy in 2001, one of the most important developments has been the emergence of a strategic planning policy framework at both National and Regional level. This Housing Strategy has been designed to underpin and support implementation of this strategic development framework which includes:

- The **National Spatial Strategy (NSS)** (2002-2020) provides for a more balanced approach to regional development across the State.⁷ The NSS identifies nine 'Gateways' to drive development including the Midlands linked Gateway which comprises the towns of Tullamore, Athlone and Mullingar. The NSS concludes that these towns will need to grow substantially if they are to achieve the critical mass required to drive development of the Midland Region. The NSS also recognises that balanced development can only be achieved through strong towns and strong rural areas working in partnership together.
- The **housing policy framework** at national level has evolved with the publication of *Delivering Homes Sustaining Communities* which sets out key principles underpinning housing policy and investment.⁸ At the core of the Government's policy is the requirement to provide a sufficient supply of housing to meet demand. The policy sets out a number of actions aimed at ensuring that increased housing supply should not be at the expense of quality development. It underlines the importance of planning, urban design, infrastructural investment, land management and public service delivery in building integrated sustainable communities.
- The **Midland Regional Planning Guidelines (MRPGs)** (2004) give effect to the NSS at a Regional Level.⁹ The MRPGs set out a strategic approach to guide the planning and development of the region. There are 4 key areas of focus: 1. Building the critical mass of the region in terms of the regional economy, employment, education and population; 2. the identity of the region; 3. its connecting infrastructure to other regions; and 4. the balance between rural and urban areas in sustainable development. The population projections and targets developed under the MRPGs have been used to estimate projected demand for housing within Offaly.
- The **Strategic Development Framework for the Midlands Linked Gateway** sets out a detailed development framework to guide the future development of the Midlands Gateway and the Midlands Region up to 2020. Its vision has five core elements aimed at developing a world-class knowledge-based, competitive Gateway. These represent areas of focus for development and planning agencies.
- The **County Development Board Strategy 2002-2012, *Bringing the Future into Focus***, sets out a strategy for the economic, social and cultural development of the County. One of the key themes of the strategy relates to housing and accommodation and a vision is set out in the document; "*that every citizen in Offaly will have the right to adequate, affordable, secure and safe accommodation, reflective of personal, social and cultural needs and values*".

The National and Regional strategic policy framework therefore is an important consideration shaping the overall direction of this Housing Strategy.

⁷ *National Spatial Strategy for Ireland 2002 – 2020: People, Places and Potential*, 2002

⁸ Department of the Environment, Heritage and Local Government, *Delivering Homes Sustaining Communities; Statement on Housing Policy*, 2007

⁹ Midland Regional Authority, *Regional Planning Guidelines*, 25 May 2004

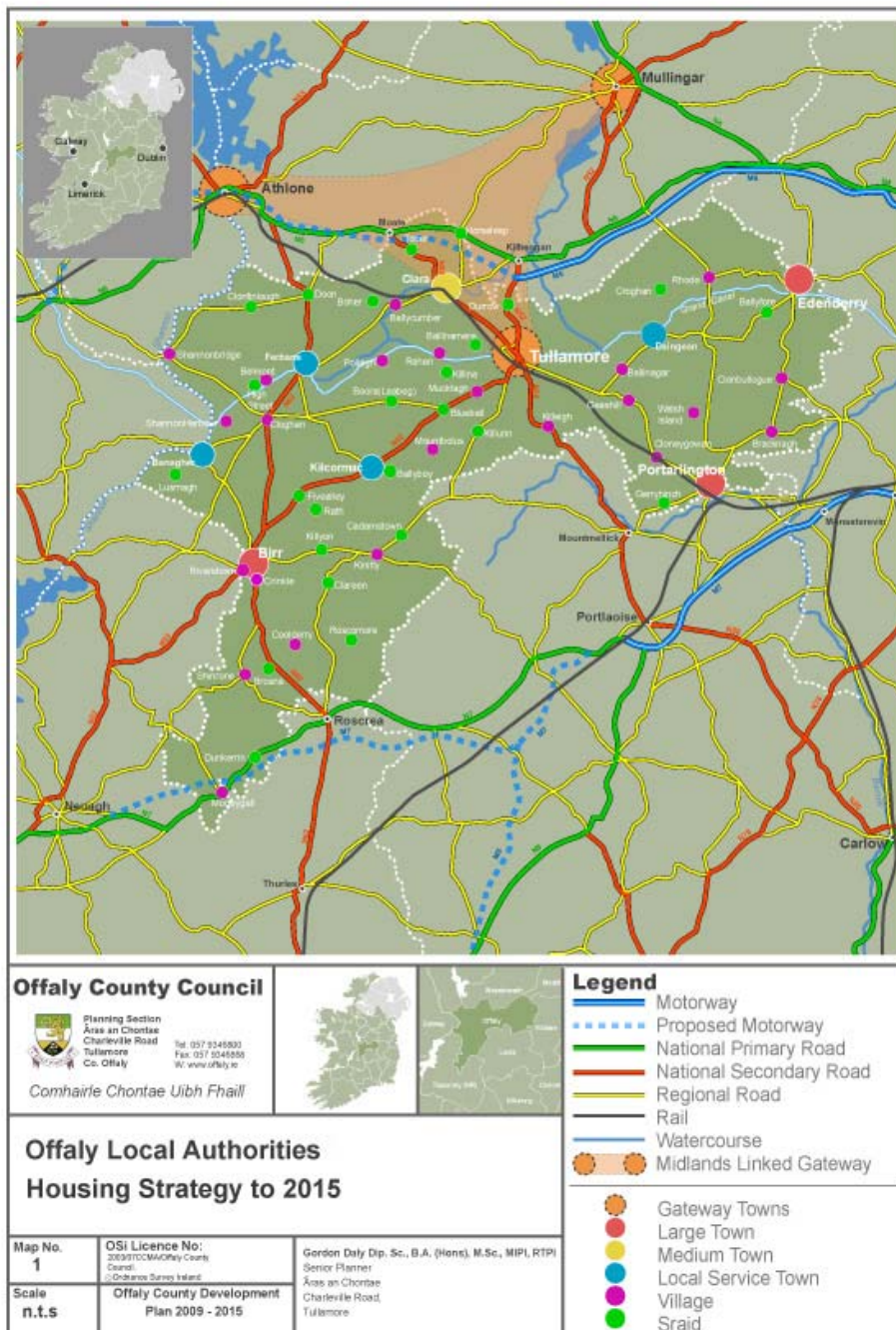


1.2.2 Local policy framework

In accordance with National and Regional policy, Offaly has devised a settlement hierarchy to guide the development of the County. The settlement hierarchy comprises Tullamore; part of the Midlands linked Gateway and County Town; Large Towns; Medium Towns; Local Service Towns; Villages, 'Sraids'; and the 'open countryside'. With development pressures occurring across the County, this settlement hierarchy is critical to ensure that development is balanced and is occurring in the appropriate locations within the County.

As per NSS and MRPG targets, it is envisaged that the County will grow to a population of 96,000 by 2020 (c.85,000 by 2015) and that this will be driven by a strong Gateway (Athlone/Tullamore/Mullingar), supported by balanced development within a network of surrounding settlements.

Map1: County Offaly Settlement Hierarchy





1.3 RECENT TRENDS RELEVANT TO THE HOUSING STRATEGY

1.3.1 Features of the Councils' first joint Housing Strategy

- The key features of the Offaly Local Authorities joint Housing Strategy (2001) were:
- 15% of land zoned for development to be reserved for social and affordable housing under Part V of the Planning and Development Act.
- Projected demand for additional housing was approximately 2,500 additional housing units.
- Housing units supplied under Part V to be allocated equally between social and affordable housing for the County as a whole.
- The combined housing programme of the Local Authorities was to provide 110 social housing units per year.

Since the adoption of the Housing Strategy (2001):

- Offaly has experienced a period of significant population and household growth. Over the past decade, the population increased by 19.9% compared to the national population increase of 13.4%.¹⁰
- The actual number of house completions surpassed projected household formation with 6,500 houses completed between 2001 and 2006.
- In terms of social housing, the Local Authorities delivered the projected targets in the Housing Strategy (2001).
- County incomes have also increased relative to the national average.
- House price increases have been significant within the County with prices rising faster than the national average house price increase. This trend in house prices is important for the Housing Strategy as it affects the number of people likely to experience affordability problems in buying houses on the open market.

Two features of growth and development patterns in the County are critical to the Housing Strategy:

1. Tullamore has been designated as part of the Midlands linked Gateway along with Athlone and Mullingar. The NSS indicates that these towns need to grow substantially to a combined population of approximately 100,000 persons if they are to become drivers of development for the Region. For Tullamore, this could potentially mean more than doubling its present population (2007) to bring it to approximately 30,000 persons. This is a significant population growth objective with important implications for the Housing Strategy.
2. The highest levels of population growth have been largely concentrated in the east of the County, particularly Edenderry and Portarlinton which experienced growth rates of 54% and 39% respectively between 1996 and 2006 (See Table 2.1). This mainly reflects the pressures from the Greater Dublin Area. Significant growth has also occurred in other parts of the County, notably Tullamore, Birr and Clara.

1.3.2 Implications for the current Housing Strategy

Offaly's Planning Authorities have identified three core challenges and priorities for the Housing Strategy:

- To stimulate population growth in Tullamore in accordance with its identified role as part of the Midlands linked Gateway so that it can form part of the driver of development for the region as envisaged in the National Spatial Strategy (2002-2020) and Midland Regional Planning Guidelines (2004)
- To conserve, enhance and strengthen the town and village structure within the County
- To inform decisions on the management of growth patterns in accordance with the County's settlement hierarchy.

As an integral part of the Development Plans in Offaly, the Housing Strategy is central to achieving these strategic priorities, providing a framework to guide the future development of the County.

¹⁰ See Table 2.1 in section 2.



1.3.3 Structure of the Housing Strategy

The Housing Strategy is structured as follows:

- Section 1 provides the Context for the Housing Strategy
- Section 2 estimates demand for housing in Offaly including demand for social and affordable housing
- Section 3 assesses the capacity of the Planning Authorities in Offaly to facilitate the supply of housing in accordance with the estimated demand
- Section 4 summarises key policy implications arising from the Housing Strategy.

Appendices:

Appendix A: Key provisions of Planning and Development legislation

Appendix B: Detailed calculations on affordability

Appendix C: Summary of Midland Regional Planning Guidelines with applicability to Co. Offaly.



2. ESTIMATED HOUSING DEMAND

2.1 APPROACH TO ESTIMATING HOUSING DEMAND

A key requirement of the Housing Strategy is to estimate the potential demand for housing up to 2015 in Offaly. A specific requirement is to estimate how many potentially newly formed households are likely to experience affordability difficulties as defined in the legislation. This is a critical calculation in determining the appropriate intervention point for reserving zoned lands for social and affordable housing.

This section sets out the findings and conclusions of the Housing Strategy in relation to additional household formation, household disposable incomes, house prices and affordability.

It projects the potential demand for housing in Offaly up to 2015 in terms of the new households that potentially can be formed in the County. The number of additional households can be estimated either on;

- a) The basis of population projections up to 2015; or
- b) Trends in household formation (house completions).

The Housing Strategy considers a number of key variables to determine the demand for affordable housing notably:¹¹

- **Projected disposable income** of additional households in Offaly. The definition of 'affordability' in the legislation provides that disposable income is central to determining how many additional households are likely to experience affordability difficulties.
- **Projected trends in house prices.** This examines trends in house prices in Offaly and the number of houses available within the identified house price ranges. It also forecasts house price increases to identify the number of additional houses available in different house price ranges.
- **Determination of affordability.** The Housing Strategy calculates the approximate house price range that additional households in different income categories can potentially afford. From this, it then estimates the number of new households likely to experience affordability problems up to 2015.

¹¹ This approach is based on the *Model Housing Strategy – Step-by-Step approach*, Department of the Environment, Heritage and Local Government, 2000.



2.2 HOUSEHOLD FORMATION AND POPULATION PROJECTIONS

The Housing Strategy adopted two approaches to project household formation up to 2015. First of all it examined population projections and targets of the Midland Regional Planning Guidelines (MRPGs) and possible implications for household formation. The MRPGs population projections and targets are aimed at ensuring that the objectives of the NSS and specific regional objectives of the MRPGs can be fully implemented. The MRPGs estimate/target that the overall population of the region will grow from c.251,000 in 2006 to c.340,000 by 2020 and that the population of Offaly will be c.94,000 by 2020¹². Assuming that the population growth occurs evenly over the period, this would potentially give a population in Offaly of c.85,000 by 2015.

The second approach to projecting household formation was to review house completions as a 'proxy' of household formation. The Strategy reviewed recent trends in house completions over the past five years in the County and considered the extent to which these could be expected to continue up to 2015. The conclusions of both approaches were then compared to determine which figure represented the most realistic projection for the county.

2.2.1 Household formation - Population trends

Offaly has experienced a period of significant population growth over the last decade. Population has grown from 59,117 in 1996 to 70,868 in 2006. This corresponds to an increase during the decade of almost 20% for the County. During the period of the first Housing Strategy (2001-2006), population growth has been particularly strong with an increase of over 11% in the county. The average growth rate between 1996 and 2002 was 1.9% per annum. This accelerated to an average of 2.7% per annum between 2002 and 2006 which coincided with a period of strong net migration into the county.¹³

Analysis of population trends at sub-county level (Table 2.1 below) indicates that whilst population for the County as a whole has increased by 11% since the last Census, this growth has not been evenly distributed across the County. Significantly higher rates of population increase are evident in some parts of the County, particularly in Edenderry and Portarlinton, and to a lesser extent, Tullamore, Birr (and their environs) and Clara. This represents a challenge for the County in managing the development pressure associated with these areas.

¹² Derived from 'National Population Projections and Regional Population Targets 2006-2020' issued by DoEHLG, February 2007

¹³ Between 1996 and 2002 the figure for net migration was 2,413. This increased to 4,915 between 2002 and 2006. *Source: CSO, Census of Population 2002 and 2006.*

**Table 2.1 Population and Population Change at Sub-county Level 1996 to 2006**

Geographic Area	Persons 1996	Persons 2002	Persons 2006	Actual Change 1996-2006	Percentage Change 1996 - 2006
Offaly County	59,117	63,663	70,868	11,751	19.9%
Gateway					
Tullamore & Environs	10,039	11,098	12,927	2,888	28.8%
Large Towns					
Birr & Environs	4,158	4,411	5,053	895	21.5%
Edenderry & Environs	3,825	4,559	5,888	2,063	53.9%
Portllington North	1,158	1,245	1,609	451	38.9%
Medium Towns					
Clara	2,464	2,704	3,001	537	21.8%
Local Service Towns					
Banagher	1,414	1,553	1,636	222	15.7%
Ferbane	1,270	1,198	1,164	-106	-8.3%
Daingean	670	777	1,056	386	57.6%
Kilcormac	889	879	847	-42	-4.7%
Villages, Sraids and Open CountrySide					
Rest of the County	33,230	35,239	37,687	4,457	13.4%

Source: CSO, Census 2002 and Census 2006

2.2.2 Average Household Size

The average household size has declined both nationally and in Offaly. At national level it has fallen from 3.14 persons per household in 1996 to 2.81 in 2006.¹⁴ The average household size in Offaly is declining but still remains slightly higher than the national average, declining from 3.31 persons per household in 1996 to 2.92 in 2006. The effect of declining average household size on the projected formation of households is significant. Declining average household size implies that additional households will be formed regardless of any additional population increase. This Housing Strategy assumes that this trend in declining household size will continue at least up to 2015 projecting an average household size in Offaly of 2.56 persons per household. This is still higher than the most recent figures for European average household size of 2.4 persons per household in 2003.¹⁵ The declining household size also highlights that the type of housing provided over the period of the Housing Strategy will need to reflect the changing patterns in household profiles.

2.2.3 Household Formation and House Completions

An alternative way to calculate household formation is on the basis of recent trends in house completions for the County as they can be applied as a proxy for household formation. Trends in house completions can then be projected forward to determine the future rate of household formations. House completions have increased strongly in County Offaly [i.e. from 282 units in 1996 to 1,594 units in 2006]. An average annual rate of 1,295 units were completed during the period

¹⁴ Source: CSO Census of Population 2006

¹⁵ Eurostat Database. Most recent figures on the Eurostat database are for 2003.



2002 to 2006. Table 2.2 outlines the trends in house completions and planning permissions since 2001 and these are further illustrated in figure 2.1.

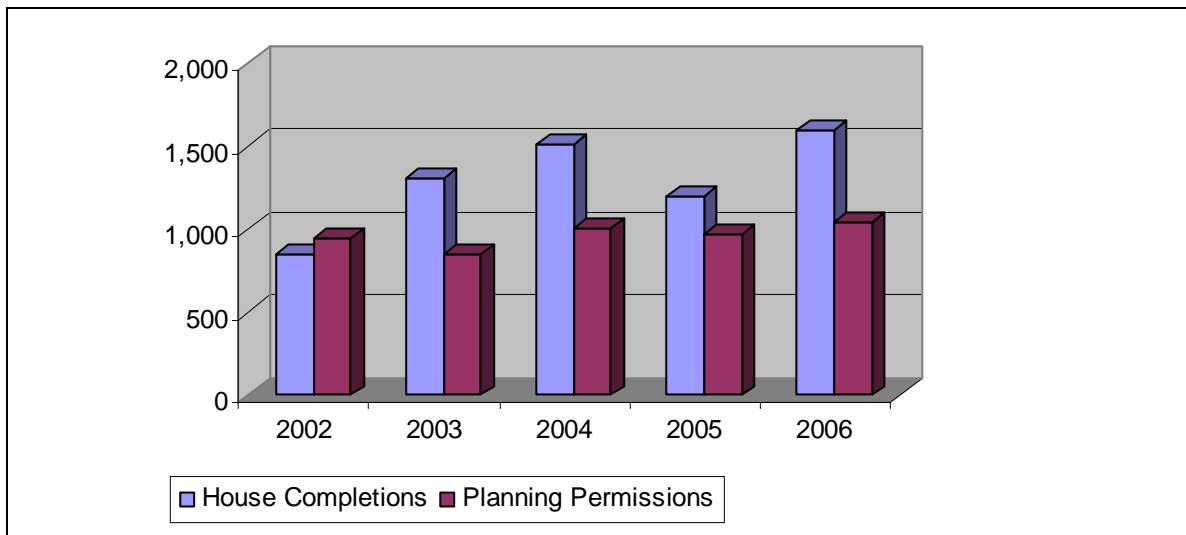
If the current trend in house completions were to continue, based on average annual house completions over the past five years, it could potentially provide an additional c.12,300 households within the County by 2015. Given the trends in average household size, this could potentially increase the population to c.92,500 by 2015.

Table 2.2 Trend in House Completions and Planning Permissions in County Offaly

	2002	2003	2004	2005	2006
House Completions	853	1,308	1,516	1,202	1,594
Planning Permissions	949	852	1,008	966	1,039

Source: Offaly County Council, 2007 and Department of Environment, Heritage and Local Government, Housing Statistics Bulletin, 2006

Figure 2.1 Trend in House Completions and Planning Permissions in County Offaly



Source: Department of Environment, Heritage and Local Government, Housing Statistics Bulletin, 2006

2.2.4 Projected Additional Households - Summary

Offaly Local Authorities have considered two principal scenarios in projecting additional household formation up to 2015;

1. A continuation of the trend in house completions
2. Population projections based on the Midland Regional Planning Guidelines (2004)

The effect of these two scenarios on household formation and population is summarised in Table 2.3.

**Table 2.3 Model Housing Strategy and Offaly County Council Projected Population and Additional household Requirements 2007-2015 in Co. Offaly**

	MRPG Offaly population forecast ¹⁶	Scenario based on house completions
Population 2015	85,529	92,530
Total Additional Households	9,121	12,321

The Housing Strategy assumes that recent trends in house completions are unlikely to be sustained and so the annual rate in house completions will decline from the highs recorded in recent years. This conclusion is based on an analysis of recent activity levels in the housing market which point to a slowdown in housing activity. Indicators of future activity suggest a continuing slowdown in housing activity although other economic factors will continue to drive demand for housing. These factors include net immigration, continuing population growth, reducing household size as well as increased demand for second homes.

This Housing Strategy therefore projects that the number of additional households which may potentially be formed up to 2015 within the County will be 9,121. This projection is consistent with the population projections of the MRPGs together with the declining average size of households. Table 2.4 (Col. 6) provides the annual projections of new household formation:

Table 2.4 Projected Additional Household Formation in County Offaly 2007-2015

Year	Population	Population Increase	Average Household Size	Total Households	Projected Additional Households
2005	69,066	1,801	2.96	23,302	
2006	70,868	1,629	2.92	24,238	935 (Actual)
2007	72,497	1,629	2.88	25,139	901
2008	74,126	1,629	2.84	26,065	926
2009	75,755	1,629	2.80	27,018	953
2010	77,384	1,629	2.76	27,998	980
2011	79,013	1,629	2.72	29,007	1,009
2012	80,642	1,629	2.68	30,047	1,039
2013	82,271	1,629	2.64	31,117	1,071
2014	83,900	1,629	2.60	32,221	1,104
2015	85,529	1,629	2.56	33,359	1,138
Total additional households (2007-2015)					9,121

2.3 HOUSEHOLD DISPOSABLE INCOMES

An important requirement of the Housing Strategy is to estimate the disposable income of additional households formed within the County. This is central to determining the number of households who are likely to commit more than 35% of their annual income servicing a mortgage.

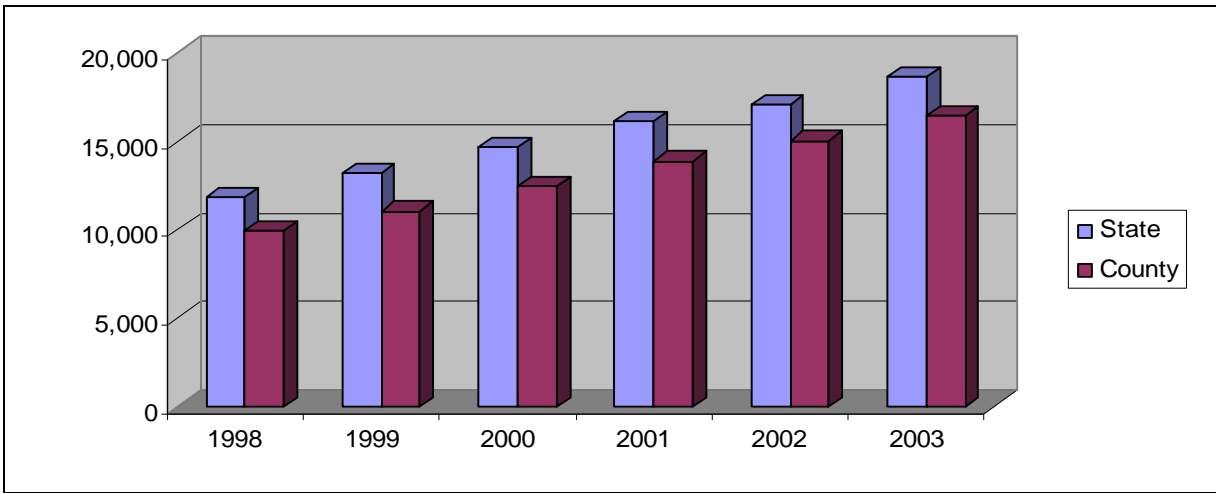
The disposable household income levels were estimated (2007) as follows:

¹⁶ It should be noted that the calculation of additional households applies the declining average household size to the *total* number of households – not just the *additional* households. This means that the total number of additional households is inevitably larger than simply dividing the increased population by the (declining) average household size.



- The EU Survey on Income and Living Conditions (2005) provides the most recent figure for disposable household income at national level and the percentage of households in each income category.¹⁷ The Housing Strategy assumes that the distribution of households in each income category is the same at national and county level.
- This income distribution is then adjusted to provide the figure for disposable income on a county basis which is taken from the CSO County Incomes and Regional GDP statistics (2003). Whilst per capita disposable income in the County is below the national average, the rate of growth has been higher than the national average growth rate over the same period (see figure 2.2). In 1998, disposable income in Offaly was 84% of the national average. By 2003, it had increased to 88% of the national average.¹⁸ Therefore, the national disposable income is adjusted downwards to give county disposable income.

Figure 2.2 National and County Disposable Income 1998-2003



Source; CSO, County and Regional GDP 2003, 2006

Table 2.5 indicates that the average annual disposable income in the county in 2005 ranged from €7,853 for the lowest income decile to €97,674 for the highest income decile.¹⁹ The distribution of household income is important in calculating the number of additional households likely to experience affordability problems in buying houses in different price ranges.

¹⁷ CSO EU Survey on Income and Living Conditions (EU-SILC), 2005

¹⁸ CSO, County Incomes and Regional GDP, 2003 & EU Survey on Income and Living Conditions (EU-SILC), 2005

¹⁹ The national figures for disposable income for 2005 have been adjusted downwards to reflect the lower county income in Offaly i.e. 88.2% of national average.

**Table 2.5: Income Distribution in County Offaly**

Income Range	Weekly Disposable Income (€)	% of Households in each Category	Average. Annual Disposable Household Income (National) (€)	County Deflator	Average Annual Disposable Household Income (Co. Offaly) (€)	No. of Households in the County, 2005
1st Decile	<204.9	10	8,900	0.882	7,853.44	2,330
2nd Decile	<312.24	10	13,063	0.882	11,527.10	2,330
3rd Decile	<404.45	10	17,995	0.882	15,879.41	2,330
4th Decile	<550.81	10	22,998	0.882	20,294.13	2,330
5th Decile	<724.73	10	29,498	0.882	26,029.46	2,330
6th Decile	<949.81	10	36,827	0.882	32,497.13	2,330
7th Decile	<1169.12	10	44,286	0.882	39,079.52	2,330
8th Decile	<1477.52	10	53,389	0.882	47,111.92	2,330
9th Decile	<1967.85	10	65,994	0.882	58,234.76	2,330
10th Decile	>1967.85	10	110,688	0.882	97,674.49	2,330
Total		100				23,302

Source: CSO, EU Survey on Income and Living Conditions, 2005 adjusted for County incomes

A key question is what rate of income growth can be expected over the life of the Housing Strategy?

The Housing Strategy assumes that ESRI forecasts for national disposable income growth will apply up to 2012.²⁰ This gives income growth rates ranging from 5.2% to 4% and represents a significant decline on the growth rates over the past decade. In terms of projecting growth beyond 2012, the Housing Strategy assumes that an income growth of 4.4% will apply i.e. the average growth rate for 2007-2012. Table 2.6 provides the annual projected income based on ESRI projections. It indicates that annual disposable income will range from €12,172 to €151,389 by 2015 applying the growth inflator.

²⁰ ESRI *Medium-Term Review 2005-2012*, December 2005, no.10.

**Table 2.6 Projected Disposable Household Income Growths in Offaly 2006-2015 (€)**

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
% growth	5.2	4.4	4	4.5	4.7	4.2	4.4	4.4	4.4
8,215	8,642	9,022	9,383	9,805	10,266	10,697	11,168	11,659	12,172
12,057	12,684	13,242	13,772	14,392	15,068	15,701	16,392	17,113	17,866
16,610	17,474	18,242	18,972	19,826	20,758	21,629	22,581	23,575	24,612
21,228	22,332	23,314	24,247	25,338	26,529	27,643	28,859	30,129	31,455
27,227	28,643	29,903	31,099	32,498	34,026	35,455	37,015	38,644	40,344
33,992	35,760	37,333	38,826	40,574	42,480	44,265	46,212	48,246	50,368
40,877	43,003	44,895	46,691	48,792	51,085	53,231	55,573	58,018	60,571
49,279	51,842	54,123	56,288	58,820	61,585	64,172	66,995	69,943	73,020
60,914	64,081	66,901	69,577	72,708	76,125	79,322	82,812	86,456	90,260
102,168	107,480	112,209	116,698	121,949	127,681	133,043	138,897	145,009	151,389

Source: ESRI Medium-Term Review 2005-2012, p. 50 and Assumptions Applied for period 2012-2015, 2005

2.4 HOUSE PRICES

Average house prices in the county have increased significantly between 2001 and 2006 at an annual average rate of 12% i.e. from €152,508 to €261,192. This annual rate of increase is below the national annual average of 14%.²¹ Over the past five years average house prices in Offaly have ranged from 77% (2004) to 85% (2006) of the national average. However, it is important to note that the average house price masks variations in house prices across the county. House prices in the larger urban centres and in the east of the county, such as Tullamore and Edenderry, tend to be significantly higher than prices in more rural areas in the west of the county. For example, a survey of house prices in the lower end of the market indicates that houses in Tullamore and Edenderry start at approximately €230,000 whilst similar houses in Ferbane and Banagher are available from approximately €200,000 (2007).

The Housing Strategy considers two important elements relevant to house prices and their affordability:

1. Projected house price increases up to 2015: The Housing Strategy assumes that house prices will increase in line with ESRI projections up to 2012. The ESRI's Medium-Term Review forecasts that house prices will increase by 4.9% between 2007 and 2010 and by 6.5% between 2010 and 2012 (see table 2.7).²² Whilst the ESRI forecasts house price increases up to 2012, the Housing Strategy assumes that house prices will level back to 5% between 2013 and 2015. Given trends in recent years in house prices i.e. 12% annual growth between 2001 and 2006, the ESRI's forecasted house price increases represent a significant levelling off from recent trends in the county.

Table 2.7 Projected Annual House Price Increases 2007-2015 (%)

	2007	2008	2009	2010	2011	2012	2013	2014	2015
Projected Annual Increase	5.0	4.9	4.9	4.9	6.5	6.5	5.0	5.0	5.0

Source: ESRI Medium-Term Review 2005-2012, p. 50 (GNDI), 2005 and Assumption Applied for 2013-2015

2. The value distribution of houses within the County: This refers to the number of houses within different price categories. One of the most important developments since 2001 has been the significant shift in the value distribution of housing. On comparison, there are significantly fewer houses available within the lower price range in 2006 than was the case in 2001. This shift in the value distribution of houses has an important effect on the number of houses available in

²¹ *Housing Statistics*, Department of the Environment, Heritage and Local Government, 2006.

²² ESRI *Medium-Term Review 2005-2012*, December 2005, No.10.



lower price range within the county and therefore on the number of additional households likely to experience affordability difficulties in buying houses on the open market.

Table 2.8 Value Distribution of Houses in County Offaly 2006

2006	
Value Range	% Distribution
0 – 150,000	6.7
150,001-175,000	6.6
175,001-200,000	13.7
201,000-225,000	16.2
225,001-250,000	16.6
250,001-275,000	10.0
275,001-300,000	9.8
300,001-325,000	4.4
325,001-350,000	4.1
350,001+	12.0
	100%

Source: DoEHLG.

The Housing Strategy assumes that the value distribution of houses in the County will remain consistent as house prices increase. Table 2.9 indicates projected house prices in accordance with different house bands within the County up to 2015 based on the ESRI's projected house price increases.

**Table 2.9 Projected House Price Band inflation in County Offaly 2006-2015 (€)**

Year	% Av. Price Increases.	Price band									
		0 - 150,000	150,001 - 175,000	175,001 - 200,000	200,001 - 225,000	225,001 - 250,000	250,001 - 275,000	275,001 - 300,000	300,001 - 325,000	325,001 - 350,000	350,001 +
2006	4.9	0 - 150,000	150,001 - 175,000	175,001 - 200,000	200,001 - 225,000	225,001 - 250,000	250,001 - 275,000	275,001 - 300,000	300,001 - 325,000	325,001 - 350,000	350,001 +
2007	5.0	0 - 157,350	157,351 - 183,575	183,576 - 209,800	209,801 - 236,025	236,026 - 262,250	262,251 - 288,475	288,476 - 314,700	314,701 - 340,925	340,926 - 367,150	367,151 +
2008	4.9	0 - 165,218	165,219 - 192,754	192,755 - 220,290	220,291 - 247,826	247,827 - 275,363	275,364 - 302,899	302,900 - 330,435	330,436 - 357,971	357,972 - 385,508	385,509 +
2009	4.9	0 - 173,313	173,314 - 202,199	202,200 - 231,084	231,085 - 259,970	259,971 - 288,855	288,856 - 317,741	317,742 - 346,626	346,627 - 375,512	375,513 - 404,397	404,398 +
2010	4.9	0 - 181,806	181,807 - 212,106	212,107 - 242,407	242,408 - 272,708	272,709 - 303,009	303,010 - 333,310	333,311 - 363,611	363,612 - 393,912	393,913 - 424,213	424,214 +
2011	6.5	0 - 190,714	190,715 - 222,500	222,501 - 254,285	254,286 - 286,071	286,072 - 317,857	317,858 - 349,642	349,643 - 381,428	381,429 - 413,214	413,215 - 444,999	444,999 +
2012	6.5	0 - 203,110	203,111 - 236,962	236,963 - 270,814	270,815 - 304,666	304,667 - 338,517	338,518 - 372,369	372,370 - 406,221	406,222 - 440,073	440,074 - 473,925	473,925 +
2013	5.0	0 - 216,313	216,314 - 252,365	252,366 - 288,417	288,418 - 324,469	324,470 - 360,521	360,522 - 396,573	396,574 - 432,625	432,626 - 468,677	468,678 - 504,729	504,730 +
2014	5.0	0 - 227,128	227,129 - 264,983	264,984 - 302,838	302,839 - 340,692	340,693 - 378,547	378,548 - 416,402	416,403 - 454,256	454,257 - 492,111	492,112 - 529,966	529,967 +
2015	5.0	0 - 238,485	238,486 - 278,232	278,233 - 317,979	317,980 - 357,726	357,727 - 397,474	397,475 - 437,222	437,223 - 476,969	476,970 - 516,717	516,718 - 556,464	556,465 +
% of Units within each band		6.7%	6.6%	13.7%	16.2%	16.6%	10.0%	9.8%	4.4%	4.1%	12.0%

2.5 ASSESSMENT OF AFFORDABILITY

A key element of the Housing Strategy is to estimate the number of additional households formed that are likely to experience affordability problems up to 2015. This assists Local Authorities in determining the appropriate intervention point for reserving zoned lands for social and affordable housing under Section 94(4)(c) of the Planning and Development Acts 2000-2006.

The projected number of additional households likely to experience affordability difficulties in Offaly is calculated based on the approach outlined in the Model Housing Strategy – Step-by-Step Guide (2000). This involves calculating the house prices that additional households with different income ranges can afford and then comparing these figures to the number of houses available within different house prices bands.

In calculating affordable house prices for each income category, the Housing Strategy applies the '35%' rule that is central to the definition of affordability under the legislation. This is calculated by applying an annuity formula which incorporates four variables:



- Household income: Tables 2.5 and 2.6 indicate the distribution of household income and projected growth up to 2015
- House prices: Table 2.9 indicates projected house price ranges up to 2015 and the % of new houses available in each identified house price band
- Mortgage interest rate: The Housing Strategy assumes that interest rates will remain stable at an average of 5.0% per annum and
- Loan to value ratio (LVR): A loan to value ratio of 90% has been assumed, the maximum provided for by legislation. This figure typically represents what most first time buyers would expect to borrow.

A further factor that was considered in determining the number of additional households likely to experience affordability difficulties is the number of ‘one-off’ housing units in the ‘open countryside’ of the County. The trend in recent years has been that approximately 30% of all housing permitted has been ‘one-off’ housing. Of this 30%, a considerable proportion of housing is likely to be made available at a more modest price range relative to the market value or the cost in securing a house within an urban area. This is particularly the case where a site is secured as a gift or at a reduced cost from a family member and/or direct labour is applied. ‘One-off’ housing is therefore an important feature of the housing sector in Offaly. Offaly Local Authorities in their assessment of affordability has therefore adjusted downwards on the assumption that 25% of additional households will not experience affordability difficulties as defined in the legislation because their needs are being met through ‘one-off’ housing.

Table 2.10 below summarises projected additional households and the proportion likely to experience affordability problems. (Appendix B sets out the detailed calculations of affordability for each year of the Housing Strategy). Based on this assessment of affordability, **approximately 30% of additional households will meet the eligibility criteria under section 93 (1) of the legislation.** The % does not vary significantly over the duration of the Housing Strategy as it assumes a relatively stable relationship between household incomes and house prices, and that no major disjuncture in the demand for houses will occur. **Offaly Local Authorities will therefore reserve 20% of land zoned for development for social and affordable housing as provided under section 94(4)(c) of the Planning and Development Acts 2000-2006²³.**

Table 2.10 Summary of Housing Demand and Households meeting Affordability Criteria 2007-2015

	2007	2008	2009	2010	2011	2012	2013	2014	2015	Total
Projected Additional households	901	926	953	980	1009	1039	1071	1104	1138	9,121
No. Meeting Affordability Criteria	264	275	283	294	303	321	337	349	365	2,790
2 as % of 1	29%	29%	29%	30%	30%	30%	31%	31%	32%	30%

2.6 Demand for Affordable Housing in County Offaly

The Housing Strategy concludes that of the additional households which potentially could be formed within the County up to 2015, approximately 30% are likely to experience affordability problems as defined by the legislation (i.e. the 35% rule whereby 35% of disposable income is required to meet the cost of servicing a mortgage).

The current demand for affordable housing for the three Local Authorities as per their current Affordable Housing Requirement Lists and the number of applications received is 280 applicants. As this includes applicants for all three Local Authorities (and therefore duplicate applications) a more accurate level of demand is estimated to be c.150 applicants. This actual demand for affordable housing is lower than might be expected given the analysis of affordability

²³ Note; Social and Affordable Housing Provisions under Part V of the Planning and Development Acts 2000-2006 only. Additional Housing measures are provided by Offaly Local Authorities in the facilitation of Social and Affordable Housing requirements

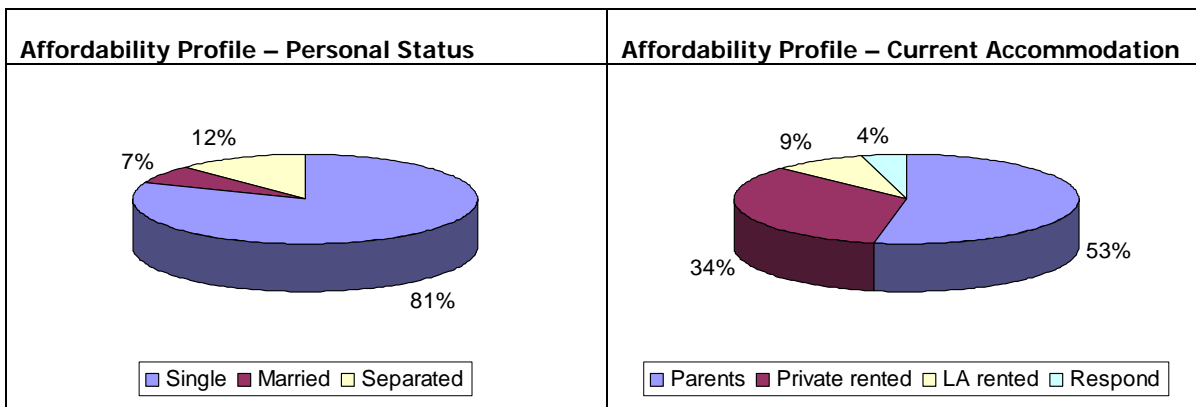


in the first Housing Strategy.²⁴ An analysis of the profile of people who have qualified for affordable housing since it was first introduced (see Fig.2.3) indicates that the majority are single (81%), about half are living with their parents, and a third living in private rented accommodation. Analysis of their income indicated that the average income ranged from €20,000 to €24,500. This low-income range suggests that qualified applicants to date are on the upper margins of the social housing sector.

The question is whether the current demand for affordable housing is understated because potential beneficiaries are not applying. This may be due to a number of reasons including; a) perceived negative perceptions put forward in relation to housing which is provided by Local Authorities, b) lack of awareness concerning the availability of affordable housing and c) lack of provision of Part V affordable housing in desired locations, most notably Tullamore.

Offaly Local Authorities envisage that the output of affordable housing will increase over the period of this Housing Strategy. In addition, they are committed to more actively promoting affordable housing as an option for people wishing to buy on the open market and who are experiencing affordability difficulties, by way of promotional initiatives and in co-operating with Affordable Homes Partnership in the marketing concept of affordable housing.

Figure 2.3 Affordability Profile – Personal Status and Current Accommodation



2.7 Demand for Social Housing in County Offaly

The combined housing lists of the three Local Authorities in County Offaly currently comprise 920 applicants for the provision of social housing although this overstates the accurate level of demand due to duplicate applications. There has been a significant increase in demand for social housing over the past decade in Offaly with the current level treble that on the housing list in 1996.

Analysis of the combined housing lists indicates that the single most important reason why people apply for social housing is because of the financial cost of providing housing from their own means. Of the total number of applicants, 44% are located in the Offaly County Council area, 38% in Tullamore Town Council and 18% in Birr Town Council.

2.8 CONCLUSION

As per the Midland Regional Planning Guidelines (2004), it is estimated that the population of Offaly will increase to c.94,000 by 2020. Assuming an even distribution of population growth over the period, this will mean that the county's population is projected to increase to 85,529 by 2015. The combination of declining average household size and increased population indicate that c.9,100 additional households potentially could be formed within the County by 2015. This represents a decline in household formation from experience in the county over the past five years when there was an annual average of 1,295 house completions per year. Recent activity levels suggest a continuing slowdown in the housing market although other factors such as net immigration, population increases, and declining household size will

²⁴ Offaly's Housing Strategy 2001 – 2006 concluded that 495 households would not be in a position to buy housing on the open market.



continue to drive demand for housing. The Housing Strategy assumes that the rate of house completions will not be sustained at recent levels.

Of the total additional households formed, the Housing Strategy estimates that 30% are likely to experience affordability problems in purchasing houses on the open market. Whilst incomes within the County have been increasing, the main factor affecting access to the housing market is house prices. The value distribution of houses has fundamentally shifted over the past five years with a much smaller proportion of houses valued in the lower house price bands than previously.

In order to meet future demand for social and affordable housing, the Housing Strategy will reserve 20% of all lands zoned for residential use, or for a mixture of residential and other uses for the provision of social and affordable housing.

Given the estimated requirement for social and affordable housing across the County, the 20% intervention point will apply across the county. **The allocation between social and affordable will be determined on a case-by-case basis depending on the identified social and affordable needs of the area within which the development is taking place and the specific features of the development.**



3. ESTIMATED SUPPLY

3.1 INTRODUCTION

This section of the Housing Strategy:

- Examines the factors that influence housing supply
- Addresses the framework for the planning and management of the physical environment in County Offaly
- Examines the trends in planning permissions and other development pressure within the County and
- Investigates whether future residential growth can be accommodated within lands zoned for residential use or a mixture of residential and other uses whilst recognising the need for the facilitation of individual residential development on unzoned lands such as within 'sraids' and the 'open countryside'.

The analysis is further refined through examining how the need for spatial **balance** can be achieved in a way that accords with the hierarchy of settlements expressed in the Offaly County Development Plan.

Estimated demand for housing figures are derived on the basis of population targets set out under the Midland Regional Planning Guidelines (2004). Estimated supply figures are, in the first instance, calculated by totalling the available lands which are zoned for residential use or a mixture of residential and other uses.

However, supply of housing does not solely take place on lands zoned for residential use and Offaly Local Authorities recognise the County's strong tradition of rural living and that rural housing will comprise a substantial portion of Offaly's housing over the period of this strategy. Offaly County Council in recent times, has been proactive in this regard, in the preparation of 'sraid' plans which are intended to act as an incentive to guide a portion of rural housing to small settlements which have, or may have in the future, small scale community and commercial facilities and services.

Furthermore, the Local Authorities recognise that some residential development may occur on lands zoned as 'other settlement lands' over the period of the strategy. This zoning category has been inserted into recent village plans in an effort to shift the focus of land use zoning in small settlements from a narrow focus i.e. 'residential', 'industrial' etc. to that of a more flexible zoning upon which proposals for a multiplicity of land uses could be considered. In addition, the rationale for such zoning is (i) to allow for flexibility in the development management process (ii) to restrict excessive residential development in the villages and (iii) allow for 'redundancy' of zoned land i.e. some lands in villages will not be released for development of any description over the plan period and this 'other settlement land' zoning allows for 'headroom' in this regard to prevent potential favourable development in Offaly's villages from being stifled.

However, the Council recognises that a **sequential approach** to the proper planning and sustainable development of the County's towns and smaller settlements must be applied over the period of this Housing Strategy and County Development Plan, that is, a positive presumption in favour of developing from the centre most point of a settlement outwards and a presumption against the development of isolated or outlying sites.

Furthermore, whilst a primary requirement of a Housing Strategy is to **ensure that an adequate level of zoned land for residential use is provided for within the County**, the capacity to accommodate future housing growth is dependent on a range of factors. These include;

- The amount of available zoned land that can accommodate housing
- Constraints and limits in the provision of water supply and drainage
- Constraints and limits in the provision of other physical, social and economic infrastructure
- Access, including public transport
- Topographical constraints
- Areas of environmental designations and/or nature conservation value.



Increased development pressure (including decreasing household size) requires a more efficient use of available zoned land. Increasing densities of residential developments on zoned land particularly where there are adequate facilities and services (e.g. community facilities/public transport) is therefore appropriate. It is however important that these increases occur in appropriate locations and at a scale that is appropriate to their location.

3.2 GOVERNMENT POLICY AFFECTING SUPPLY

3.2.1 NATIONAL POLICY

The population and household projection/'target' scenarios presented in Section 2 of this Housing Strategy have been used as a basis in determining the likely future scale and distribution of development in Offaly. This Housing Strategy supports the national policy objectives as stated in the *National Spatial Strategy for Ireland 2002-2020; Sustainable Development: A Strategy for Ireland; Guidelines for Planning Authorities on Residential Density* and *Part V of the Planning and Development Acts, 2000-2006: Housing Supply, Guidelines for Planning Authorities*. These policy documents and legislation provide a context for Offaly's Housing Strategy and aim to:

- Develop the full potential of each area to contribute to the optimal performance of the State as a whole
- Develop a hierarchical network of settlements that will stimulate and energise their wider geographical catchments
- Promote higher residential densities especially in proximity to town centres, public transport nodes and access points
- Encourage mixed use developments
- Ensure a clear demarcation between urban and rural land-use
- Promote the redevelopment of brownfield sites
- Ensure more economic use of existing infrastructure
- Enhance access to existing services and facilities
- Protect and enhance the natural environment
- Ensure that new development is located in an environmentally sustainable and sensitive manner.

The National Spatial Strategy (NSS) (2002) has as one of its central objectives a more balanced approach to regional development across the State. The NSS identifies a number of Gateways to drive development within Ireland, including the Midlands Linked Gateway which comprises Tullamore, Athlone and Mullingar. Developing a critical mass within the Midland region through combining the strengths of these towns into a cooperative network is critical to improving/achieving the region's economic potential. The NSS concludes that Gateways, including the Midlands Linked Gateway, will need to grow substantially if they are to become drivers of development. This provides for, amongst other things, achieving a critical mass at a scale to drive development, providing housing, social and economic services to facilitate this growth, and securing a significant improvement in urban environments.

3.2.2 REGIONAL POLICY

The MRPGs (2004) build on the NSS and set out a strategic development framework for the Midland Region, (i.e. Laois, Longford, Offaly and Westmeath) to enhance the competitiveness of the region. The preferred scenario as put forward at a regional level is set out in greater detail in Appendix C. At a local level, this preferred scenario requires the development of the urban structure, with a hierarchy from the 'linked Gateway' through to 'Large/Medium Towns', 'Local Service Towns', 'Villages', 'Sraids' and the open countryside.



3.2.3 LOCAL POLICY

Local policy must be consistent with and reflective of national and regional policy. For County Offaly, this means that as per the National Spatial Strategy (2002-2020) and the Midland Regional Planning Guidelines (2004), and in accordance with the objectives of the Indecon Report (2006) Tullamore is targeted to increase in population from 13,000 persons to 30,000 persons by 2020. It is envisaged that this will provide the critical mass necessary in achieving the role identified for Tullamore as part of the Midlands linked Gateway, in conjunction with Athlone and Mullingar. This is consistent with our adjoining County's policies i.e. County Westmeath. Further, The County Development Plan has considerable content relating to securing the goals of the NSS i.e. a strong Gateway, consolidation of the functions of other towns, strengthening of the County's village structure and overall balanced development of Co. Offaly.

The principles of the NSS have been adopted as part of statutory local planning policy. Offaly's County Development Plan sets out a **hierarchy of settlement areas** to promote appropriate balanced development across the County as follows:

➤ Linked Gateway Town/County Town
Tullamore
➤ Large Towns:
Birr, Edenderry, Portarlington (combined with Laois side)
➤ Medium Town:
Clara
➤ Local Service Towns:
Banagher, Fermoy, Kilmac, Daingean
➤ Villages
Belmont, Ballinagar, Ballycumber, Bracknagh, Cloghan, Clonbullogue, Cloneygowan, Coolderry, Crinkle, Geashill, Killeigh, Kinnitty, Mucklagh, Moneygall, Mountbolus, Pullough / Lemanaghan, Shannonbridge, Shannonharbour, Shinrone, Rahan, Rhode, Walsh Island.
➤ Sraids
Ballinamere, Ballyboy, Ballyfore, Blueball, Boher, Boora(Leabeg), Brosna, Cadamstown, Clareen, Clonfinlough, Croghan, Doon, Dunkerrin, Durrrow, Fivealley, Garryhinch, Horseleap, High Street, Killina, Killurin, Killyon, Lusmagh, Rath, Roscomroe, Tober etc.
➤ Open Countryside

3.3 DEVELOPMENT CAPACITY, DEVELOPMENT PRESSURES AND RECOMMENDED DIRECTION OF DEVELOPMENT FOR THE PERIOD OF THIS STRATEGY

3.3.1 BACKGROUND INTRODUCTION

This Housing Strategy is required to ensure that an adequate level of zoned land for residential use is provided for within the County for the period of this Strategy. The development capacity of a County is primarily indicated by the level of zoned land which can facilitate residential development and the ability of these areas combined with rural settlements and other rural areas to provide future housing. As per the NSS and the Midland Regional Planning Guidelines, it is targeted to provide for a population in excess of 85,000 in Offaly by 2015, as shown in Section 2 of this Housing Strategy. The majority of this potential additional population can be facilitated within the towns and villages as per the County's settlement hierarchy and this provision will be enhanced by the provision of rural housing within the sraids and the open countryside, where appropriate. However, the spatial balance of the growth, both geographically and across the settlement hierarchy, is extremely important.



The current settlement structure of County Offaly is characterised by a strong rural population supported by the County town (and part of Midlands Linked Gateway) of Tullamore and a network of towns and smaller settlements. The County has experienced an increasing amount of development pressure since the previous Housing Strategy (2001).

The **existing development pressure** for residential development in the County experienced from natural growth and in-migration is further increased by the rapid expansion as a result of the population within the Greater Dublin Area (GDA), and the differential in house prices between the Greater Dublin Area and County Offaly. These pressures and improvements in the transportation network, [including the construction of the N6 dual carriageway and M7 motorway] make commuting into the GDA from Offaly increasingly attractive and this continues to stimulate further housing demand in the County, particularly in the east of the county (i.e. Edenderry and Portarlinton and the villages surrounding these towns). Pressure for residential development in Clara has increased very substantially over the period 2004 to 2007 approximately and this pressure is, at the time of writing, being sustained through planning applications and development enquiries. It is possible that the lack of zoned lands for residential use in Tullamore is exacerbating the pressure for residential development in Clara.

The principal disadvantage of recent significant development demand is that it has led to a skew in the settlement pattern, through weighting the population growth of the County eastwards, rather than strong growth of the linked Gateway town of Tullamore, supported by more moderate and balanced growth throughout the remainder of the County. Based on recent permissions decided but not yet completed and recent development proposals alone, it is estimated that the 'Large and Medium Towns' comprising Edenderry, Clara and Portarlinton could potentially experience a combined population growth rate of approximately 80% over the period from 2007 to 2011.

The County Development Plan (comprising Town and Village plans), its associated Local Area Plans and the Tullamore & Environs and Birr Town & Environs Development Plans together provide for a significant level of zoned land for residential use within the County. In addition to residential zoning, town centre and mixed-use zoned land are likely to incorporate some residential development as part of potential future schemes. Table 3.1 presents the amount of lands zoned for residential development, which are currently undeveloped within the County's towns and villages (as at July 2007).²⁵

The table also shows the extent of currently undeveloped lands zoned as 'Other Settlement Lands'. These lands are situated in a number of the villages and the associated land use-zoning objective within the 2003-2009 County Development Plan is *'to conserve and enhance the quality of the area, to protect residential amenity and to allow for development appropriate to the sustainable growth of the settlement'*. Under this zoning objective residential development is therefore open for consideration, and therefore, these lands' potential contribution to housing supply has been stated.

Table 3.1 Residentially Zoned Land, currently undeveloped.

	Tullamore (Part of Midlands Linked Gateway)	Large & Medium Towns	Local Service Towns	Villages
Approximate Total Zoned Residential Land, currently undeveloped.	135ha	490ha	180ha	235ha
Approximate Total Zoned 'Other Settlement Land', Currently undeveloped.	-	-	-	105ha

Source; Planning Department Offaly County Council 2007

²⁵ Offaly County Council figures as at July 2007. Note: The Review of the County Development Plan 2003-2009 and preparation of the County Development Plan 2009-2015 is currently being undertaken having regard to the contents of this strategy.



3.3.2 Development Capacity, Development Pressure and recommended direction of development for the period of this strategy - Tullamore

The Midland Regional Planning Guidelines population target figure seeks an increase in population of Tullamore to a total of 30,000 persons by 2020 in a properly planned and sustainable manner as part of the Midlands Linked Gateway. Assuming a linear rate of growth per annum, this leads to a potential population of 21,500 in 2015.

It is important to note that the development of Tullamore as part of the Midlands linked Gateway should not be curtailed by the County's overall projected target population figure of 85,000 by 2015. Rather, should the Gateway target to 2015 be met or exceeded, this may allow scope for additional population growth within the County. However, to allow development in other areas which would increase the County population to 85,000 at the expense of the Midlands Linked Gateway would be contrary to the Midland Regional Planning Guidelines and the overall strategy of the County Development plan and this outcome should be avoided.

At the end of July 2007 Tullamore, which is part of the Midlands Linked **Gateway**, comprised c.135ha. of undeveloped zoned land that could potentially accommodate residential development (including town centre sites with mixed use potential). The reason for including the town centre sites etc. in this analysis stems from Tullamore being the largest urban centre and County town for Offaly and part of the Midlands Linked Gateway. Based on this role, its lands proximate to the town centre are likely to attract a considerable amount of residential development in conjunction with commercial development.

Having regard to 1. trends in development applications, 2. to the fact that some planning permissions have not been taken up and 3. the non-release of zoned land for residential use, Tullamore, as at July 2007, had a disproportionately low level of land zoned to support residential development, given the strategic importance in developing the town to provide the critical mass to ensure the success of the Midlands Linked Gateway. This has been recognised by Tullamore Town Council and Offaly County Council who are currently (Oct 2007) examining existing provisions in the Tullamore and Environs Development Plan relating to the availability of zoned land for residential use within the town and its environs. A variation and/or a full review of the Tullamore and Environs Development Plan 2004-2010 addressing this will be forthcoming in the coming months.

3.3.3 Development Capacity, Development Pressure and recommended direction of development for the period of this strategy - Large & Medium Towns (Birr, Edenderry, Portarlington (combined with Laois side), Clara)

The 'Large and Medium Towns' have experienced a 'front-loading' of much of the population growth targeted for them under the MRPGs (2004). The future growth of these towns should be assessed against their identified role within the settlement hierarchy and the need to provide the supporting services that support the increased population as put forward in the Midland Regional Planning Guidelines.

At the end of July 2007, the **Large and Medium Towns** of Birr, Edenderry, Portarlington and Clara contained a total of c.490ha. of undeveloped residential zoned land. In addition, these towns comprise undeveloped lands zoned for town centre and mixed use, and considerable additional lands zoned as such which are currently developed, but could be suitable for intensification of towns centre uses, (but to a lesser extent than that envisaged for Tullamore). Some of these lands could potentially be made available for residential development over the period of the strategy, but to a lesser extent than in Tullamore, due to the nature of the towns and the nature of development likely to be put forward/permitted within them. Significant amounts of this developed and undeveloped town centre/mixed-use land are therefore unlikely to be made available for residential development over the lifetime of the strategy.



This strategy finds, therefore, that residential zoning within the 'Large and Medium Towns' as a group does not necessarily match the spatial aspirations of the county for housing supply i.e. existing development plans have significantly more capacity for development than is appropriate for their own future growth or for the balanced development of the County. The review of the current County Development Plan should reflect this, thus ensuring that the Housing Strategy allows an evidence led platform for taking some corrective action.

Corrective measures to be considered for the 'Large and Medium Towns' include:

(1) Re-examination of the extent of lands currently zoned: Of the four towns within this group, Portarlinton forms part of the County Development Plan and will therefore be reviewed as part of the overall review to the County Development Plan. Birr Town and Environs Development Plans and the Local Area Plans for Clara and Edenderry will not be reviewed as part of the County Development Plan Review. Their review date is later than that of the County Development Plan. However, the County Development Plan, in setting an overall strategy for the entire county is well placed to set down direction in this regard which can be transposed into other plan reviews.

(2) Adoption of a 'sequential' approach in the review of development plans / local area plans and in the consideration of future proposals for residential development in these towns i.e. a positive presumption in favour of developing from the centre most point of a settlement outwards and a presumption against the development of isolated or outlying sites.

3.3.4 Development Capacity, Development Pressure and recommended direction of development for the period of this strategy – Local Service Towns (Banagher, Daingean, Ferbane and Kilcormac)

At the end of July 2007 the '**Local Service Towns**', a group that includes Banagher, Daingean, Ferbane, and Kilcormac, contained c.180ha. of residentially zoned land.

This comprises almost 20% of the total residential zoned land for the County, and highlights that they have excessive zoning as a group in accordance with the County's settlement hierarchy and their likely needs for residential zoned lands over the period of this strategy.

However, to allow for non-release of lands and flexibility in the development management process over the period, some level of zoning over and above envisaged levels is required, but not to the extent of the current plans.

This strategy finds, therefore, that residential zoning in the Local Service Towns as a group does not necessarily match the spatial aspirations of the County for housing supply i.e. existing development plans have significantly more capacity for development than is appropriate for their own future growth and the balanced development of the County. The review of the current County Development Plan should reflect this, thus ensuring that the Housing Strategy allows an evidence-led platform for taking some corrective action. Corrective measures to be considered for the Local Service Towns include:

(1) Re-examination of the extent of lands currently zoned in the review of the County Development Plan. However, it is recommended that the Council leave some limited 'headroom' in terms of the amount of residential zoned land, to allow for flexibility in considering proposals and to allow for the non-release of some zoned lands over the plan period. Some of the Local Service Towns have not experienced strong levels of growth over the last plan period and this 'headroom', in conjunction with the recommended management of residential growth in the Large and Medium towns, may provide the platform for their appropriate expansion over the next plan period.



(2) **Adoption of a 'sequential' approach** in the review of Town Plans and in the consideration of future proposals for residential development in these Local Service towns i.e. a positive presumption in favour of developing from the centre most point of a settlement outwards and a presumption against the development of isolated or outlying sites.

3.3.5 Development Capacity, Development Pressure and recommended direction of development for the period of this strategy – Villages (See list in section 3.2.3)

At the end of July 2007, adopted **village** plans contained a total of c.235ha of undeveloped residential zoned land. This is in addition to 'other settlement lands' zoning that could potentially accommodate residential development. It may appear evident that there is a disproportionately high amount of zoned land in the villages, for which plans have been adopted (as at July 2007). Adopted village plans contain over 20% approximately of the total available zoned residential land within the County.

However, it must be recognised that:

- There are a **significant number** of villages for which plans have been adopted, therefore totalling the zoned lands will give an overall figure which is **disproportionate** to the actual amount of residential zoned land **in each village plan**.
- Most of the village plans have very moderate levels of residential zoning.
- 'Other settlement Lands' zoning has been included in recent village plans to shift the focus from residentially zoned lands and to allow the Planning Authority scope to consider the cumulative implications for residential development should the pressure for same in a particular village 'overheat' - threatening to over-develop the village within the plan's timeframe and threatening to damage the village's character or where services are currently inadequate to cater for such population expansion.
- The density of development likely to be permitted within the villages is significantly less than that for the towns and therefore the potential population growth that could theoretically be supported by the villages is significantly less than it would appear.
- The carrying capacity of villages for which village plans have been adopted (since 2006) is protected through the policies set out in the individual written statement in each village plan. The aim of village plans is to secure the quality of life and distinctiveness of these settlements and to ensure that any new development respects and enhances their local character.
- A certain amount of 'headroom' is required to give some flexibility in providing for residential development where other zoned sites in a village are not forthcoming with development over a plan period. In reality, much of these undeveloped zoned lands may not, be released for development in the period between 2007 and 2015.

The Council recognises that there are some existing village plans (Ballinagar, Cloghan, Rhode and Shinrone) which have residential zoning levels far in excess of their requirements over the current plan period and indeed the next plan period. Such zoning inflates the total zoned figure for the group of villages as a whole considerably. Furthermore, such zoning has the potential to damage the rural character of these villages should pressure for a significant amount of the zoning to be 'taken-up' by development proposals.

Failing to follow the settlement strategy would run the risk of further exacerbating the current pressure towards an imbalance in development that could undermine the potential success of developing the linked Gateway and the balanced development of the County.



3.4 CONCLUSION

- The assessment of development capacity above illustrates that the county can **comfortably accommodate the projected population increases to 2015**. However, the distribution of this population in a manner that provides a **balance of development** led by the Midland Linked Gateway and supported by a network of smaller settlements throughout the County and the countryside is also necessary.
- The key to the Housing Strategy is that the Midlands Linked Gateway succeeds in generating the critical mass to strengthen and promote its own development, and that the interaction between the Linked Gateway and the network of other settlements enables a balanced growth to serve the needs of the **entire county** at an appropriate scale. **Tullamore** with its identified role as part of the Midlands Linked Gateway will therefore continue in being the focal point and driver of development within the County and Region. Appropriate measures (including the provision of appropriate levels of zoning for residential use) which facilitate its development and provision of its required critical mass, coupled with services to 'drive' development within the County and the Region are required.
- The areas with the highest population growth over the period from 2002 to 2006 are also those that have the highest potential future population growth in the short-term as identified from current permitted and proposed schemes (2007). In particular, the growth of Edenderry, Portarlington and Clara has the clear potential to further skew the balance of growth within the County. The overall strategy of the County Development Plan to develop Tullamore as part of the Midlands Linked Gateway, to balance growth across the County and to support a hierarchy of settlements is potentially compromised by these development pressures.
- Therefore, management of the accelerating growth of the main settlements in the **east of the County**, particularly Edenderry and Portarlington is required to ensure that Birr and other settlements can act as a counterpoint to the development pressure in the east of the County and that balanced development of the County can occur.
- The role and scale of **Clara** within the settlement hierarchy and its relationship with Tullamore (part of the Midlands Linked Gateway) needs to be clearly indicated.
- '**Local Service Towns**' have very significant areas of available residential zoned land beyond their identified role in a local and regional context. These include in particular, the settlements of Banagher, Fermoy and Kilcormac. A re-examination of the extent of lands currently zoned for residential use and a 'sequential' approach to development in accordance with the County's settlement hierarchy should be incorporated into reviews of plans for these settlements.
- A number of '**Villages**' also have very significant areas of available zoned land beyond their identified role within the settlement hierarchy. These include in particular the settlements of Ballinagar, Cloghan, Shinrone and Rhode. There is a need to ensure that these villages maintain their character. Re-examination of the extent of lands currently zoned and the inclusion/implementation of a 'sequential' approach should be incorporated into reviews of plans for these four settlements, in particular.
- The appropriate future growth of all settlements must also be assessed against the capacity of the individual towns to accommodate services for the new residential populations and how the character of the towns can be maintained and enhanced.
- County Offaly is primarily a rural County and approximately 30% of dwellings are located in the open countryside. The need for the provision of individual 'one-off' dwellings within both the sraids and open countryside by rural dwellers and/or those engaged in the rural economy is recognised.



4. POLICY IMPLICATIONS FOR THE COUNCILS

4.1 IMPLICATIONS FOR HOUSING POLICY

This Housing Strategy puts forward the reservation of 20% of all lands zoned for residential use, or for a mixture of residential and other uses in order to meet future demand for social and affordable housing. The 20% intervention point will apply across the county. The allocation between social and affordable housing will be determined on a case-by-case basis depending on the identified social and affordable housing needs of the area within which the development is taking place and the specific features of the development. In implementing the Housing Strategy, the Local Authorities will be particularly cognisant of the need to counteract undue segregation and to ensure that the profile of new house build reflects the requirements of different categories of households.

Achieving the implementation of the Housing Strategy will have important policy implications for the three Local authorities, with the following dimensions particularly critical:²⁶

1. Concluding Part V agreements under Planning and Development legislation
2. Achieving an appropriate mixture of house types and size to reflect changing profile of households
3. Developing a more targeted approach to meeting the needs of individuals with specific housing needs
4. Working in partnership with related service providers
5. Working in partnership with the voluntary and cooperative housing sector
6. Assuring quality of new build within the county
7. Developing the potential of the Rental Accommodation Scheme (RAS) to increase housing supply
8. Managing the Local Authorities housing stock effectively
9. Promoting the Local Authorities affordable housing scheme.

The following sections outline the key principles guiding the Local Authorities approach to implementing the Housing Strategy and reflect Government's policy document entitled '*Delivering Homes Sustaining Communities*'. The Local Authorities are committed to monitoring progress in achieving the Housing Strategy in accordance with section 95 (3) of the Planning and Development Act.

4.1.1 Concluding Part V agreements

An important instrument in delivering social and affordable housing is the content of the Part V agreements negotiated between the Local Authority and developers to fulfil their requirements under the Planning and Development legislation. The Local Authorities in County Offaly are committed to implementing the best practice guidelines for concluding Part V agreements developed by the Affordable Homes Partnership and the Department of the Environment, Heritage and Local Government.²⁷ These guidelines are designed to ensure that the process of concluding Part V agreements between Local Authorities and developers is conducted in such a way as to secure social and affordable housing outputs as quickly and efficiently as possible.

4.1.2 Mixture of house types and size

A range of house sizes and types provided by private developers, the voluntary and cooperative sector and Local Authorities is important not only to meet the changing needs of households but also to develop integrated sustainable communities. The profile of households is changing particularly with declining household size and this therefore needs to be reflected in the mix and size of houses. The 2006 Census puts forward the following household composition for Offaly:²⁸

²⁶ These will be further elaborated in the Action Plans on Affordable and Social Housing.

²⁷ *Part V Resource Pack; Concluding Part V Agreements*, Affordable Homes Partnership and Department of the Environment, Heritage and Local Government, 2006

²⁸ CSO 2006 Census of Population, Volume 3 – Household Composition, Family Units and Fertility

**Table 4.1 Household Composition in Offaly**

Number of persons per household	Number of households	% of households
1	4,915	20%
2	6,398	27%
3	4,396	18%
4	4,083	17%
5	2,358	10%
6	1,150	5%
7	289	1.2%
8	115	0.5%
9	40	0.16%
10+	25	0.1%

Source; Census 2006

Table 4.1 highlights that two thirds of all households have less than 3 occupants and that one in five households are single person households. The mix of house types therefore needs to reflect this household profile. Given the large number of single person households, the table also suggests that apartments may be an important source of housing. At present, apartments account for a very small % of house completions in Offaly.

Larger residential schemes within the County primarily comprise 3-bedroom units. 'One-off' housing comprises a significant proportion of the housing output within Offaly with approximately 30% of all commencements of residential units in Offaly within this category.

Given that the trend towards smaller households is likely to continue, there is an increasing requirement to build a variety of house types and sizes to accommodate smaller households. Offaly Local Authorities will implement current and proposed national guidelines on sustainable housing design.

4.1.3 More targeted approach to meeting needs of individuals with specific housing needs

There has been consistent high demand for social housing in Offaly. However, the Local Authorities within the County also recognise that there are particular groups of individuals with specific housing needs that may not be fully met at present, notably people with disability, the elderly and people who are homeless. Analysis of the housing list suggests that the demand for housing from these groups is very low. However, discussion with stakeholders suggests that the current level of demand for these particular groups may be considerably understated on the current housing list. Meeting the specific housing needs of particular groups in an integrated way represents a significant challenge for Offaly Local Authorities. Offaly's Local Authorities are therefore committed to working with other statutory and non-statutory agencies in the county to identify actual and potential demand for housing which will be reflected in housing programmes. The HSE is a particularly important partner given its role under the Disability Act 2005 to prepare service assessments for all people with a disability. Once these service assessments are completed, Offaly's Local Authorities will have a more accurate picture of demand for people with disability to inform their housing programmes.

4.1.4 Working in partnership with HSE and other critical service providers

Offaly Local Authorities recognise that some people will need to avail of a range of personal and other supports as part of their accommodation requirements. Offaly Local Authorities are committed to working in partnership with the HSE and other organisations to actively identify potential demand for such supports and to provide appropriate housing. In relation to people with disability, the service assessments anticipated under the Disability Act 2005 will provide an



important opportunity to actively anticipate and provide for demand. Working in partnership with the HSE and other service providers will be critical in providing housing services for particular groups of individuals.

4.1.5 Working in partnership with voluntary and cooperative housing sector

The Local Authorities in Offaly have developed important working relationships with housing associations in recent years. Housing associations, in particular locally-based associations, can play a critical role in meeting the housing needs both of the general population but also of specific groups of individuals such as people with disability and homeless people. Offaly Local Authorities recognise that there is scope to work in closer partnership with housing associations as important partners in delivering additional housing and are committed to making this partnership work efficiently and effectively. Professional design teams must be in place at the early stage of any proposed voluntary housing project.

4.1.6 Assuring quality of new build

A core principle of *Delivering Homes Sustaining Communities* is to ensure that quality housing and sustainable communities underpin housing provision. There has been considerable pressure in the housing market in Offaly over the past five years with a significant increase in house completions. With this scale of build, Offaly Local Authorities recognise that there is a real opportunity to ensure that new developments – provided directly by the local authorities, by private developers or housing associations – are of the highest physical and environmental quality, and to make provision for mixed-tenure, where feasible. This in particular means ensuring that:

- The standard of individual housing units meet specified design standards
- New housing units are designed and built so that they are sustainable environmentally
- All schemes should be designed to maximise use of usable, open space with superior treatment of boundaries and open space.

4.1.7 Potential to use Rental Accommodation Scheme (RAS) to increase supply

Offaly Local Authorities recognise the importance of alternative tenures in meeting housing demand particularly through the private rented sector. Offaly is a designated pilot area under the Rental Accommodation Scheme (RAS). A key feature of the RAS is that it enables Local Authorities to contract with providers of private accommodation to secure accommodation on a short or long-term basis for people receiving rent supplement. Offaly has negotiated arrangements with 40 private owners and its target is to provide an additional 80 units per year in 2007 and 2008. The scheme has the potential to increase housing options particularly for certain categories of individuals such as single people.

4.1.8 Developing effective management framework for Offaly Local Authorities housing

A key challenge facing all Local Authorities is to effectively manage their social housing stock to ensure that they are fully integrated within their wider communities. Offaly Local Authorities have taken a number of steps to address this challenge in line with the Department's guidelines on good practice in housing management.²⁹ Offaly Local Authorities employ liaison officers to work with communities, and new tenants complete an induction-training programme when allocated a house. Offaly Local Authorities are committed to enhancing their current approaches to managing their estates. They are also committed to developing remedial programmes to improve the quality of social housing within the County.

4.1.9 Promoting the Council's affordability scheme

The Local Authorities are committed to examining ways in which affordable housing schemes can be better promoted among people experiencing affordability difficulties in securing homes on the open market.

²⁹ *Good practice in Housing Management – Guidelines for Local Authorities – Rebuilding estates, rebuilding vibrant communities*, Centre for Housing Research (2006)



4.2 CONCLUSION

The Local Authorities have set out the broad parameters of housing policy for the County over the period 2008-2015 which will be critical in achieving the Housing Strategy. These reflect the assessment of demand for housing and the capacity of the Local Authorities to meet demand particularly by having sufficient land zoned for residential use.

In addressing each of the broad areas of housing policy, the Housing Strategy also takes account of national policy on housing in particular *Delivering Homes Sustaining Communities*. The ultimate aim of this statement on national housing policy, which is underlined in this Housing Strategy, 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'*.



APPENDIX A: LEGISLATIVE FRAMEWORK FOR HOUSING STRATEGY

Part V of the Planning and Development Acts 2000-2006 sets out legislative provisions governing the Housing Strategy and supply of social and affordable houses. The key sections relevant to the Housing Strategy and provision of social and affordable housing are:

Relevant section	Summary of what it covers
Section 93 – Interpretation	Outlines definitions including who is eligible for affordable housing
Section 94 – Housing Strategies	Requirement of each planning authority to include a housing strategy – sets out what it should take account of, what it should include, and what it should have regard for.
Section 95 – Housing Strategies and development plans	Requirement to have sufficient land zoned to meet requirements of the housing strategy
Section 96 – Provision of social and affordable housing	Application of legislative provisions to planning application including options whereby applicants can meet their obligations under Part V
Section 97 – Development to which Section 96 shall not apply	Circumstances under which planning authority can exempt certain developments and award a certificate
Section 98 – Allocation of Affordable Housing	Circumstances under which planning authorities can make affordable housing available to eligible individuals
Section 99 – Controls on resale of certain houses	Includes calculation of ‘clawback’ for those who are selling affordable housing
Section 100 – Regulations under part V	Provision for Minister to make regulations
Housing and planning authority functions	Provides for when planning authority is not the housing authority.



APPENDIX B: CALCULATION OF AFFORDABILITY

B.1 ASSESSMENT OF AFFORDABILITY

The approach taken to developing the Housing Strategy essentially follows the step-by-step approach outlined in the Model Housing Strategy. This section includes detailed tables illustrating the calculation of additional household formation, household income, house prices and affordability.

Calculation of affordability

Section 93(1) of the Planning and Development Acts, 2000-2006, defines an eligible person as a *“person who is in need of accommodation and whose income would not be adequate to meet the payments on a mortgage for the purchase of a house to meet his or her accommodation needs because the payments calculated over the course of a year would exceed 35 per cent of that person’s annual income net of income tax and pay related social insurance”*

To calculate the price of houses that individuals at different income levels could afford, the following annuity formula was applied:

$$PV = Pt \left[\frac{1 - (1+i)^{-n}}{i} \right]$$

Where:

- PV = total loan size (no greater than 90% of Market Value – Section 93(1))
- Pt = annual repayment amount
- i = annual interest rate. The Strategy assumes that interest rates will remain stable over the life of the Strategy averaging 5% per year.
- n = number of years over which the loan is to be paid. The Strategy assumes a payment period of 30 years.

The following tables are central to the calculation of affordability:

- Table B.1 below indicates the number of additional households in the county from 2007-2015
- Table B.2 indicates the approximate house price they can afford by applying the above annuity formula.
- Table B.3 indicates the house price bands up to 2015 taking account of future house price increases.
- Table B.4 indicates the number of houses that will be available in each house band up to 2007-2015.



Table B.1 Additional Households

% of all Households in each Category	2007	2008	2009	2010	2011	2012	2013	2014	2015
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
10	90	93	95	98	101	104	107	110	114
Total	901	926	953	980	1,009	1,039	1,071	1,104	1,138

Table B.2 Approximate Affordable House Price

% of all Households in each Category	2007	2008	2009	2010	2011	2012	2013	2014	2015
10	51,663	53,936	56,093	58,617	61,372	63,950	66,764	69,701	72,768
10	75,829	79,166	82,332	86,037	90,081	93,864	97,994	102,306	106,808
10	104,460	109,056	113,419	118,522	124,093	129,305	134,994	140,934	147,135
10	133,502	139,376	144,951	151,474	158,593	165,254	172,525	180,116	188,041
10	171,231	178,765	185,915	194,281	203,413	211,956	221,282	231,019	241,183
10	213,777	223,183	232,111	242,556	253,956	264,622	276,265	288,421	301,111
10	257,078	268,390	279,125	291,686	305,395	318,222	332,224	346,841	362,102
10	309,918	323,554	336,497	351,639	368,166	383,629	400,509	418,131	436,529
10	383,088	399,944	415,941	434,659	455,088	474,201	495,066	516,849	539,591
10	642,536	670,807	697,640	729,033	763,298	795,356	830,352	866,888	905,031



Table B.3 House Price Band Inflation

Year	% Av. Price Inc.	Price band (€)									
		0 - 157,350	157,350 - 183,575	183,575 - 209,800	209,800 - 236,025	236,025 - 262,250	262,250 - 288,475	288,475 - 314,700	314,700 - 340,925	340,925 - 367,150	367,150 +
2007	5.0	0 - 157,350	157,350 - 183,575	183,575 - 209,800	209,800 - 236,025	236,025 - 262,250	262,250 - 288,475	288,475 - 314,700	314,700 - 340,925	340,925 - 367,150	367,150 +
2008	4.9	0 - 165,218	165,218 - 192,754	192,754 - 220,290	220,290 - 247,826	247,826 - 275,363	275,363 - 302,899	302,899 - 330,435	330,435 - 357,971	357,971 - 385,508	385,508 +
2009	4.9	0 - 173,313	173,313 - 202,199	202,199 - 231,084	231,084 - 259,970	259,970 - 288,855	288,855 - 317,741	317,741 - 346,626	346,626 - 375,512	375,512 - 404,397	404,397 +
2010	4.9	0 - 181,806	181,806 - 212,106	212,106 - 242,407	242,407 - 272,708	272,708 - 303,009	303,009 - 333,310	333,310 - 363,611	363,611 - 393,912	393,912 - 424,213	424,213 +
2011	6.5	0 - 190,714	190,714 - 222,500	222,500 - 254,285	254,285 - 286,071	286,071 - 317,857	317,857 - 349,642	349,642 - 381,428	381,428 - 413,214	413,214 - 444,999	444,999 +
2012	6.5	0 - 203,110	203,110 - 236,962	236,962 - 270,814	270,814 - 304,666	304,666 - 338,517	338,517 - 372,369	372,369 - 406,221	406,221 - 440,072	440,072 - 473,924	473,924 +
2013	5.0	0 - 216,313	216,313 - 252,365	252,365 - 288,417	288,417 - 324,469	324,469 - 360,521	360,521 - 396,573	396,573 - 432,625	432,625 - 468,677	468,677 - 504,729	504,729 +
2014	5.0	0 - 227,128	227,128 - 264,983	264,983 - 302,838	302,838 - 340,692	340,692 - 378,547	378,547 - 416,402	416,402 - 454,256	454,256 - 492,111	492,111 - 529,966	529,966 +
2015	5.0	0 - 238,485	238,485 - 278,232	278,232 - 317,979	317,979 - 357,727	357,727 - 397,474	397,474 - 437,222	437,222 - 476,969	476,969 - 516,716	516,716 - 556,464	556,464 +
% Of Units win each band		6.7%	6.6%	13.7%	16.2%	16.6%	10.0%	9.8%	4.4%	4.1%	12.0%

**Table B.4 Number of Additional Housing Units available in each House Price Band**

Price Range	% of all County Houses	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
0-150,000	6.7%	63	60	62	64	66	68	70	72	74	76
150,001-175,000	6.6%	62	59	61	63	65	67	69	71	73	75
175,001-200,000	13.7%	128	123	127	131	134	138	142	147	151	156
200,001-225,000	16.2%	151	146	150	154	159	163	168	173	179	184
225,001-250,000	16.6%	155	150	154	158	163	168	173	178	183	189
250,001-275,000	10.0%	94	90	93	95	98	101	104	107	110	114
275,001-300,000	9.8%	92	88	91	93	96	99	102	105	108	112
300,001-325,000	4.4%	41	40	41	42	43	44	46	47	49	50
325,001-350,000	4.1%	38	37	38	39	40	41	43	44	45	47
350001+	12.0%	112	108	111	114	118	121	125	128	132	137
Total	100%	936	901	926	953	980	1,009	1,039	1,071	1,104	1,138

B.2 CALCULATION OF AFFORDABILITY BY YEAR 2007 – 2015

In the following tables we provide a year-by-year breakdown of the number of the additional households in Offaly likely to experience affordability problems. In each table:

- Col. 1 and 2 are figures from tables B1 and B2 above.
- Col. 3 are figures from table B4 above and
- Col. 4 are figures from table B3 above.

The affordable figures for each year have been adjusted downwards by 25% to reflect the scale of one-off housing in the County.

**B.2.1 Calculation of Housing Affordability for 2007****Table B.5 Calculation of Affordability for 2007 (derived from tables B.1 to B.4 above)**

No. of Additional units by affordable house prices	Approximate Affordable House Prices (€)	Number of Additional Units	Upper price band (€)
90	51,663	60	157,350
90	75,829	59	183,575
90	104,460	123	209,800
90	133,502	146	236,025
90	171,231	150	262,250
90	213,777	90	288,475
90	257,078	88	314,700
90	309,918	40	340,925
90	383,088	37	367,150
90	642,536	108	367,150+
901		901	

360 of the 901 additional households are likely to have an upper affordability threshold price of €133,502 a further 90 have an upper threshold of €171,231. The lowest house price band goes up to €157,350. Assuming an even distribution $((450/171,231) \times 157,350)$, this indicates that 413 of the additional households could afford to purchase up to €157,350. However, only 60 houses are likely to be available at this price, leaving a shortfall of 353 households unable to purchase at €157,350.

The second house price range goes up to €183,575. Again based on an even distribution, the total number of newly formed households with an upper affordability threshold of €213,777 at this price level is 463 $((540/213,777) \times 183,575)$. This means that an additional 50 households (463-413) will be able to afford up to €183,575. There are 59 houses available at this price range, the demand is 50, giving a surplus of 9 houses available at this price range.

The total number of additional households in Offaly in 2007 experiencing affordability problems is therefore estimated at 353. Assuming that 25% will have their needs met through one-off housing the total number experiencing affordability will be 264 which represents 29% of the 901 additional households in 2007.

**B.2.2 Calculation of Housing Affordability for 2008****Table B.6 Calculation of Affordability for 2008 (derived from tables B.1 to B.4 above)**

No. of Additional units by affordable house prices	Approximate Affordable House Prices (€)	No. of Additional Units	Upper price band (€)
93	53,936	62	165,218
93	79,166	61	192,754
93	109,056	127	220,290
93	139,376	150	247,826
93	178,765	154	275,363
93	223,183	93	302,899
93	268,390	91	330,435
93	323,554	41	357,971
93	399,944	38	385,508
93	670,807	111	385,508+
926		926	

372 of the 926 additional households are likely to have an upper affordability threshold price of €139,376 and a further 93 have an upper threshold of €178,765. The lowest house price band goes up to €165,218. Assuming an even distribution $((465/178,765) \times 165,218)$, this indicates that 429 of the additional households could afford to purchase up to €165,218. However, only 62 houses are likely to be available at this price, leaving a shortfall of 367 households unable to purchase at €165,218. The second house price range goes up to €192,754. Again based on an even distribution, the total number of newly formed households with an upper affordability threshold of €192,754 at this price level is 481 $((558/223,183) \times 192,754)$. This means that an additional 53 households (481-429) will be able to afford up to €192,754. There are 61 houses available at this price range, the demand is 53, giving a surplus of 8 houses available at this price range.

The total number of additional households in Offaly in 2008 experiencing affordability problems is therefore estimated at 367. Assuming that 25% will have their needs met through one-off housing, the total number experiencing affordability will be 275 which represents 29% of the 926 additional households in 2008.

B.2.3 Calculation of Housing Affordability for 2009**Table B.7 Calculation of Affordability for 2009 (derived from tables B.1 to B.4 above)**

No. of Additional units by affordable house prices	Approximate Affordable House Prices (€)	Number of Additional Units	Upper price band (€)
95	56,093	64	173,313
95	82,332	63	202,199
95	113,419	131	231,084
95	144,951	154	259,970
95	185,915	158	288,855
95	232,111	95	317,741
95	279,125	93	346,626
95	336,497	42	375,512
95	415,941	39	404,397
95	697,640	114	404,397+
953		953	



380 of the 953 additional households in 2009 are likely to have an upper affordability threshold price of €144,951 and a further 95 have an upper threshold of €185,915. The lowest house price band goes up to €173,313. Assuming an even distribution $((475/185,915) \times 173,313)$, this indicates that 442 of the additional households could afford to purchase up to €173,313. However, only 64 houses are likely to be available at this price, leaving a shortfall of 378 households unable to purchase at €173,313.

The second house price range goes up to €202,199. Again based on an even distribution, the total number of newly formed households with an upper affordability threshold of €202,199 is 496 $((570/232,111) \times 202,199)$. This means that an additional 54 households (496-442) will be able to afford up to €202,199. There are 63 houses available at this price range, the demand is 54, giving a surplus of 9 houses available at this price range. The total number of additional households in Offaly in 2009 experiencing affordability problems is therefore estimated at 378. Assuming that 25% will have their needs met through one-off housing, the total number experiencing affordability will be 283 which represents 29% of the 953 additional households in 2009.

B.2.4 Calculation of Housing Affordability for 2010

Table B.8 Calculation of Affordability for 2010 (derived from tables B.1 to B.4 above)

No. of Additional units by affordable house prices	Approximate Affordable House Prices (€)	Number of Additional Units	Upper price band (€)
98	58,617	66	181,806
98	86,037	65	212,106
98	118,522	134	242,407
98	151,474	159	272,708
98	194,281	163	303,009
98	242,556	98	333,310
98	291,686	96	363,611
98	351,639	43	393,912
98	434,659	40	424,213
98	729,033	118	424,213+
980		980	

392 of the 980 additional households in 2010 are likely to have an upper affordability threshold price of €151,474 and a further 98 have an upper threshold of €194,281. The lowest house price band goes up to €181,806. Assuming an even distribution $((490/194,281) \times 181,806)$, this indicates that 458 of the additional households could afford to purchase up to €181,806. However, only 66 houses are likely to be available at this price, leaving a shortfall of 392 households unable to purchase at €181,806.

The second house price range goes up to €212,106. Again based on an even distribution, the total number of newly formed households with an upper affordability threshold of €212,106 is 514 $((588/242,556) \times 212,106)$. This means that an additional 56 households (514-458) will be able to afford up to €212,106. There are 65 houses available at this price range, the demand is 56, giving a surplus of 9 houses available at this price range.

The total number of additional households in Offaly in 2010 experiencing affordability problems is therefore estimated at 392. Assuming that 25% will have their needs met through one-off housing, the total number experiencing affordability will be 294 which represents 30% of the 980 additional households in 2010.

**B.2.5 Calculation of Housing Affordability for 2011****Table B.9 Calculation of Affordability for 2011 (derived from tables B.1 to B.4 above)**

No. of Additional units by affordable house prices	Approximate Affordable House Prices (€)	Number of Additional Units	Upper price band (€)
101	61,372	68	190,714
101	90,081	67	222,500
101	124,093	138	254,285
101	158,593	163	286,071
101	203,413	168	317,857
101	253,956	101	349,642
101	305,395	99	381,428
101	368,166	44	413,214
101	455,088	41	444,999
101	763,298	121	444,999+
1,009		1,009	

404 of the 1,009 additional households in 2011 are likely to have an upper affordability threshold price of €158,593 and a further 101 have an upper threshold of €203,413. The lowest house price band goes up to €190,714. Assuming an even distribution $((505/203,413) \times 190,714)$, this indicates that 473 of the additional households could afford to purchase up to €190,714. However, only 68 houses are likely to be available at this price, leaving a shortfall of 405 households unable to purchase at €190,714.

The second house price range goes up to €222,500. Again based on an even distribution, the total number of newly formed households with an upper affordability threshold of €222,500 is 530 $((606/253,956) \times 222,500)$. This means that an additional 58 households (530-473) will be able to afford up to €222,500. There are 67 houses available at this price range, the demand is 58, giving a surplus of 9 houses available at this price range.

The total number of additional households in Offaly in 2011 experiencing affordability problems is therefore estimated at 405. Assuming that 25% will have their needs met through one-off housing, the total number experiencing affordability will be 303 which represents 30% of the 1009 additional households in 2011.

B.2.6 Calculation of Housing Affordability for 2012**Table B.10 Calculation of Affordability for 2012 (derived from tables B.1 to B.4 above)**

No. of Additional units by affordable house prices	Approximate Affordable House Prices (€)	Number of Additional Units	Upper price band (€)
104	63,950	70	203,110
104	93,864	69	236,962
104	129,305	142	270,814
104	165,254	168	304,666
104	211,956	173	338,517
104	264,622	104	372,369
104	318,222	102	406,221
104	383,629	46	440,072
104	474,201	43	473,924
104	795,356	125	473,924+
1,039		1,039	

416 of the 1,039 additional households in 2012 are likely to have an upper affordability threshold price of €165,254 and a further 104 have an upper threshold of €211,956. The lowest house price band goes up to €203,110. Assuming an even distribution $((520/211,956) \times 203,110)$, this indicates that 498 of the additional households could afford to



purchase up to €203,110. However, only 70 houses are likely to be available at this price, leaving a shortfall of 428 households unable to purchase at €203,110.

The second house price range goes up to €236,962. Again based on an even distribution, the total number of newly formed households with an upper affordability threshold of €236,962 at this price level is 558 $((624/264,622) \times 236,962)$. This means that an additional 60 households (558-498) will be able to afford up to €236,962. There are 69 houses available at this price range, the demand is 60, giving a surplus of 9 houses available at this price range.

The total number of additional households in Offaly in 2012 experiencing affordability problems is therefore estimated at 428. Assuming that 25% will have their needs met through one-off housing, the total number experiencing affordability will be 321 which represents 30% of the 1039 additional households in 2012.

B.2.7 Calculation of Housing Affordability for 2013

Table B.11 Calculation of Affordability for 2013 (derived from tables B.1 to B.4 above)

No. of Additional units by affordable house prices	Approximate Affordable House Prices (€)	Number of Additional Units	Upper price band (€)
107	66,764	72	216,313
107	97,994	71	252,365
107	134,994	147	288,417
107	172,525	173	324,469
107	221,282	178	360,521
107	276,265	107	396,573
107	332,224	105	432,625
107	400,509	47	468,677
107	495,066	44	504,729
107	830,352	128	504,729+
1,071		1,071	

428 of the 1,071 additional households in 2013 are likely to have an upper affordability threshold price of €172,525 and a further 107 have an upper threshold of €221,282. The lowest house price band goes up to €216,313. Assuming an even distribution $((535/221,282) \times 216,313)$, this indicates that 522 of the additional households could afford to purchase up to €216,313. However, only 72 houses are likely to be available at this price, leaving a shortfall of 450 households unable to purchase at €216,313.

The second house price range goes up to €252,365. Again based on an even distribution, the total number of newly formed households with an upper affordability threshold of €252,365 is 586 $((642/276,265) \times 252,365)$. This means that an additional 64 households (586-522) will be able to afford up to €252,365. There are 71 houses available at this price range, the demand is 64, giving a surplus of 7 houses available at this price range.

The total number of additional households in Offaly in 2013 experiencing affordability problems is therefore estimated at 450. Assuming that 25% will have their needs met through one-off housing, the total number experiencing affordability will be 337 which represents 31% of the 1071 additional households in 2013.

**B.2.8 Calculation of Housing Affordability for 2014****Table B.12 Calculation of Affordability for 2014 (derived from tables B.1 to B.4 above)**

No. of Additional units by affordable house prices	Approximate Affordable House Prices (€)	Number of Additional Units	Upper price band (€)
110	69,701	74	227,128
110	102,306	73	264,983
110	140,934	151	302,838
110	180,116	179	340,692
110	231,019	183	378,547
110	288,421	110	416,402
110	346,841	108	454,256
110	418,131	49	492,111
110	516,849	45	529,966
110	866,888	132	529,966+
1,104		1,104	

440 of the 1,104 additional households in 2014 are likely to have an upper affordability threshold price of €180,116 and a further 110 have an upper threshold of €231,019. The lowest house price band goes up to €227,128. Assuming an even distribution $((550/231,019) \times 227,128)$, this indicates that 540 of the additional households could afford to purchase up to €227,128. However, only 74 houses are likely to be available at this price, leaving a shortfall of 466 households unable to purchase at €227,128.

The second house price range goes up to €264,983. Again based on an even distribution, the total number of newly formed households with an upper affordability threshold of €264,983 is 606 $((660/288,421) \times 264,983)$. This means that an additional 66 households (606-540) will be able to afford up to €264,983. There are 73 houses available at this price range, the demand is 66, giving a surplus of 7 houses available at this price range.

The total number of additional households in Offaly in 2014 experiencing affordability problems is therefore estimated at 466. Assuming that 25% will have their needs met through one-off housing, the total number experiencing affordability will be 349 which represents 31% of the 1104 additional households in 2014.

B.2.9 Calculation of Housing Affordability for 2015**Table B.13 Calculation of Affordability for 2015 (derived from tables B.1 to B.4 above)**

No. of Additional units by affordable house prices	Approximate Affordable House Prices (€)	Number of Additional Units	Upper price band (€)
114	72,768	76	238,485
114	106,808	75	278,232
114	147,135	156	317,979
114	188,041	184	357,727
114	241,183	189	397,474
114	301,111	114	437,222
114	362,102	112	476,969
114	436,529	50	516,717
114	539,591	47	556,464
114	905,031	137	556,464+
1,138		1,138	

456 of the 1,138 additional households in 2015 are likely to have an upper affordability threshold price of €188,041 and a further 114 have an upper threshold of €241,183. The lowest house price band goes up to €238,485. Assuming an



even distribution $((570/241,183 \times 238,485))$, this indicates that 563 of the additional households could afford to purchase up to €238,485. However, only 76 houses are likely to be available at this price, leaving a shortfall of 487 households unable to purchase at €238,485.

The second house price range goes up to €278,232. Again based on an even distribution, the total number of newly formed households with an upper affordability threshold of €278,232 is 632 $((684/301,111) \times 278,232)$. This means that an additional 69 households (632-563) will be able to afford up to €278,232. There are 75 houses available at this price range, the demand is 69, giving a surplus of 6 house available at this price range.

The total number of additional households in Offaly in 2015 experiencing affordability problems is therefore estimated at 487. Assuming that 25% will have their needs met through one-off housing, the total number experiencing affordability will be 365 which represents 32% of the 1138 additional households in 2015.



APPENDIX C: SUMMARY OF MIDLAND REGIONAL PLANNING GUIDELINES

C.1 MIDLANDS REGIONAL PLANNING GUIDELINES, 2004

The Midland Regional Planning Guidelines (2004), which incorporate a socio-economic development strategy, constitute a 20-year strategic planning framework for the development of each region and for inter-regional cooperation. The Midland Regional Planning Guidelines (MRPGs) which cover the four counties of Laois, Longford, Offaly and Westmeath, envisage that by 2020, the Midlands will be a successful, sustainable and equitable region full of opportunities for its expanded population.

The preferred scenario is summarised in the MRPGs as follows: ³⁰

- *Building up the urban structure of the region around a hierarchy of the linked gateway and principal towns, coupled to a focus on "service" towns and villages to be promoted through the development plan process;*
- *Promoting the development of the regions urban structure within the wider context of five interrelated spatial components or "Development Areas" and harnessing the unique development potential of each development area and its urban and rural areas;*
- *Promoting an economic and employment strategy to support the urban hierarchy through targeted provision of supports such as marketing, promotion and infrastructure (services and land) aimed at positioning the different development areas to maximise opportunities to generate and attract investment activity in the region;*
- *Revitalising rural areas by building up smaller towns and villages as "local growth engines and/or service providers" and identifying development opportunities in rural areas that will deliver a more diversified economic base.*

Tullamore is identified as part of the Midland linked Gateway in accordance with the National Spatial Strategy and is to be a critical driver of the regional economy requiring targeted investment in key enabling infrastructure provision and supporting services.

Birr, Edenderry and Portarlinton are identified as Key Service Towns. These towns are to act as drivers of their own local economies in areas that are comparatively remoter from the main population centres of the region. Their growth is to be closely linked with the development of the principal towns and the gateway.

Clara and Ferbane are identified among the Service Towns. The MRPGs (2004) envisage that the development of these towns needs to be increasingly aimed at consolidating growth.

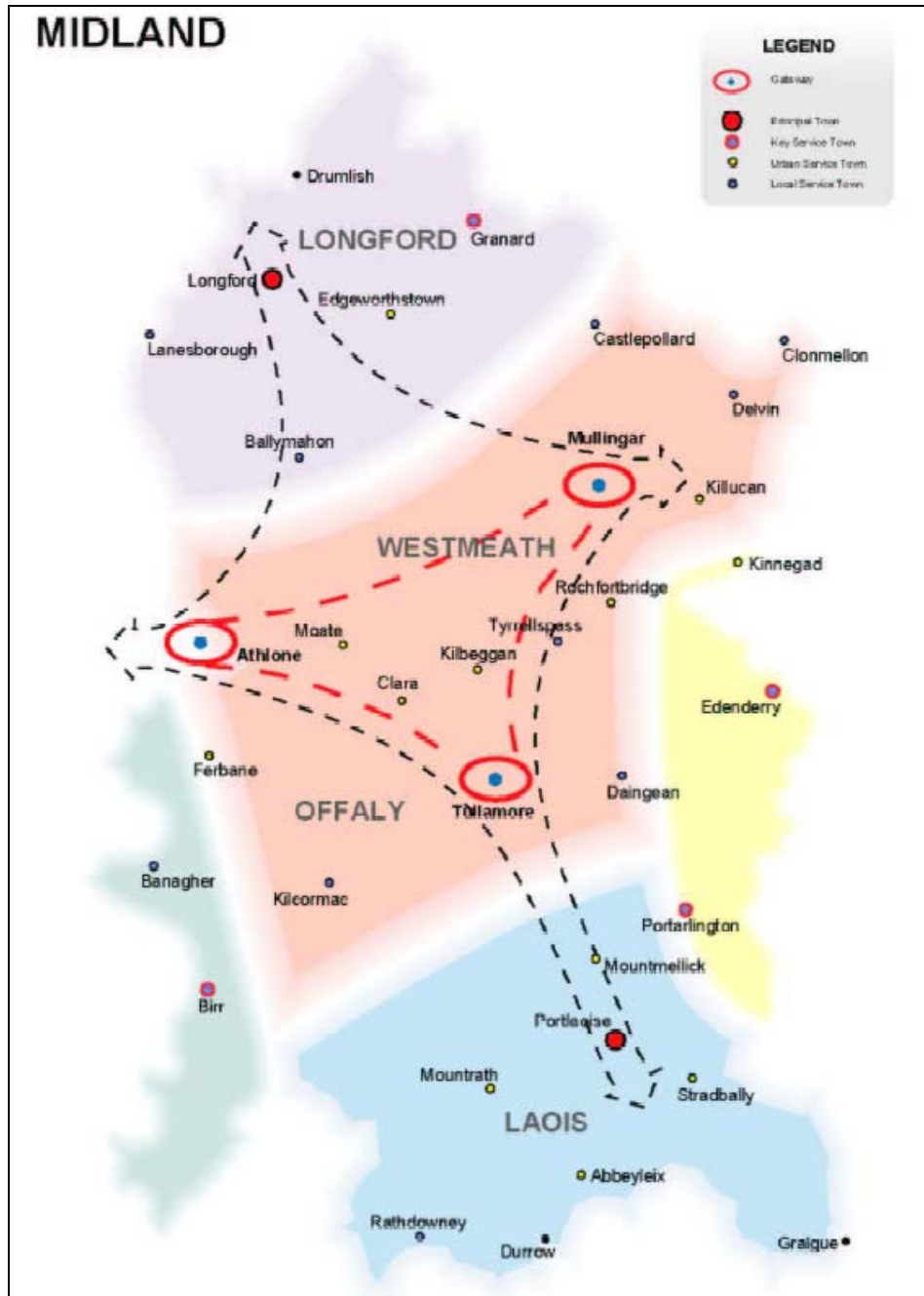
Banagher, Daingean and Kilcormac are identified as Local Service Towns, and are envisaged as performing important local level functions.

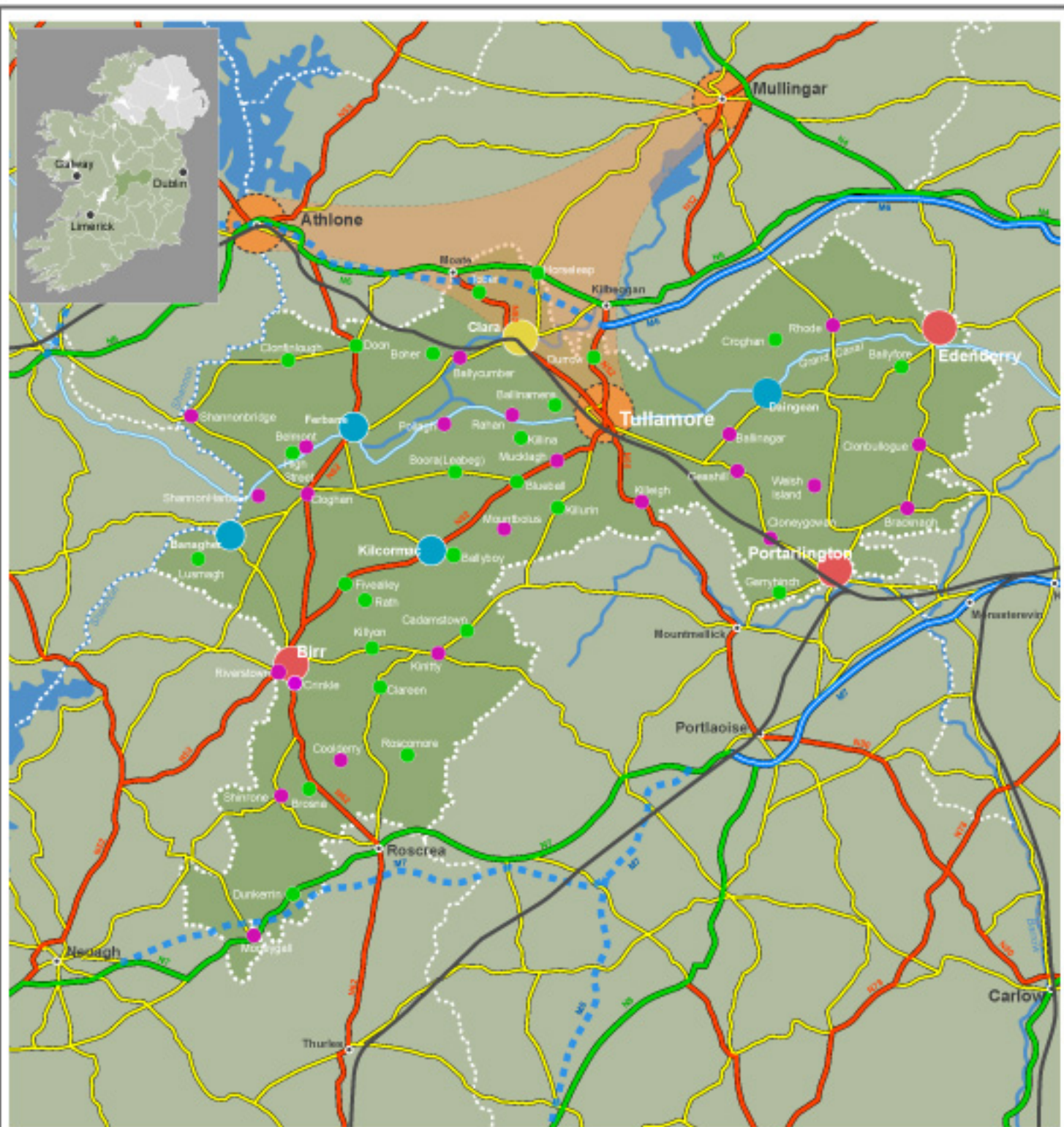
The MRPGs (2004) recognise the importance of the village structure in the provision of services to rural communities. These services include housing provision, neighbourhood level retail functions and social outlets. The development of the village structure throughout the region is dealt with at the development plan level. The scenario is also set out in figure C.1 below.

³⁰ Midland Regional Authority, Midland Regional Planning Guidelines, 2004, p. 39



Figure C.1 Midland Regional Planning Guidelines Preferred Strategy





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Legend

- Motorway
- Proposed Motorway
- National Primary Road
- National Secondary Road
- Regional Road
- Rail
- Watercourse
- Midlands Linked Gateway

- Gateway Towns
- Large Town
- Medium Town
- Local Service Town
- Village
- Sraid

Offaly Local Authorities Housing Strategy to 2015

Map No.
1

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Offaly County Development
 Plan 2009 - 2015